

The Ethics and Economics of Health Care

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Many Americans don't realize that any national health plan is based on planned scarcity. Although most Canadians have no trouble getting routine medical care, they tolerate what Americans would regard as unbearable waiting lines for things like bypass surgery, MRI scans, and hip replacements. National systems of health care eventually become bureaucratic, unresponsive to patients, and finally they bring rationing and waiting lines ... The worldwide experience over the last generation seems to show pretty clearly that when government economic controls are applied to health, they prove - in time - to be detrimental. The controls are based on planned scarcity and lead to an erosion of quality, innovation, and creativity.

I think it ironic that at a time when socialist regimes are collapsing all around the world and American disenchantment with politics and government seems at an all-time high, so many Americans clamor for the government to take over the health-care mess.

C. Everett Koop²

TWO STORIES

I would like to begin my talk on the ethics and economics of health care by telling two stories, one of which I'm sure you have already heard.

A certain lawyer stood up and tested him, saying, "Teacher, what shall I do to inherit eternal life?"

He said to him, "What is written in the law? What is your reading of it?"

So he answered and said, "You shall love the Lord your God with all your heart, and with all your soul, and with all your strength, and with all your mind, and your neighbor as yourself."

And he said to him, "You have answered rightly; do this and you will live."

But he, wanting to justify himself, said to Jesus, "And who is my neighbor?"

Then Jesus answered and said, "A certain man went down from Jerusalem to Jericho, and fell among thieves, who stripped him of his clothing, wounded him, and departed, leaving him half dead.

"Now by chance a certain priest came down that road. And when he saw him, he passed by on the other side. Likewise a Levite, when he arrived at the place, came and looked, and passed by on the other side.

"But a certain Samaritan, as he journeyed, came where he was. And when he saw him, he had compassion on him, and went to him and bandaged his wounds, pouring on oil and wine; and he set him on his own animal, brought him to an inn and took care of him.

"On the next day, when he departed, he took out two denarii, and gave them to the innkeeper, and said to him, "Take care of him; and whatever more you spend, when I come again, I will repay you.

"So which of these three do you think was neighbor to him who fell among thieves?"

And he said, "He who showed mercy on him."

Then Jesus said to him, "Go and do likewise."

Christ's parable is a gold-mine of instructions about the ethics and economics of health care. Let me unpack a few of its implications.

First, the possession of health and the administration of health care are always individual. There are no such things as "national illness" or "national health care," for nations cannot and do not get sick or injured; nations cannot and do not care; only individuals can and do.

Second, the politico-religious establishment, represented in the parable by the priest and Levite, is uninterested in health care. Perhaps the priest and the Levite were hurrying to a national health care debate

Third, the good Samaritan appears to be on a business trip; He had an animal; he was carrying oil, wine, and money; and he was making a round trip.

Fourth, the Samaritan businessman used his own resources and spent his own time helping the victim.

Fifth, the Samaritan businessman paid the innkeeper for his trouble. He apparently did not think that the innkeeper had an obligation to help him or the crime victim without being paid for his trouble. The good Samaritan was not an altruist who believed that need creates an entitlement to the property of another. He acted out of compassion, not compulsion, and he did not try to compel anyone else to be kind.

Sixth, the Samaritan businessman spent the night in the inn with his victim, making sure he would recover, and after the emergency was past, he continues on his trip, leaving the victim in the care of the innkeeper. The good Samaritan did not organize a lobby to agitate for a National Health Plan, for that has nothing to do with love for one's neighbor. Instead, he continues on about his business. This traveling Samaritan was the good neighbor by sharing both his own goods and his own time with the crime victim, and it is his example, not that of the political and religious leaders, that Christ commands us to imitate.

Now let me turn from the New Testament to American history with a story about Congressman Davy Crockett from his biography, *The life of Colonel David Crockett*.

Crockett, as a member of the House of Representatives, once voted to give \$20,000 to the homeless victims of a fire in Georgetown. One of Crockett's constituents, Horatio Bunce, told Crockett he would not be voting for him in the coming election because of that vote.

Crockett objected, "Certainly nobody will complain that a great and rich country like ours should give the insignificant sum of \$20,000 to relieve its suffering women and children, particularly with a full and overflowing treasury.

Mr. Bunce proceeded to explain why the vote was wrong:

"It is not the amount, Colonel, that I complain of; it is the principle. In the first place, the government ought to have in the treasury no more than enough for its legitimate purposes.... The power of collecting and disbursing money at pleasure is the most dangerous power that can be entrusted to man. While you are voting to relieve one, you are drawing money from thousands... If you had the right to give anything, the amount was simply a matter of discretion with you, and you had as much right to give \$20,000,000 as \$20,000. If you have the right to give to one, you have the right to give to all; and as the Constitution neither defines charity nor stipulates the amount, you are at liberty to give any and everything which you may believe, or profess to believe, is a charity, to any amount you may think proper. You will very easily perceive what a wide door this would open for fraud and corruption and favoritism, on the one hand, and for robbing the people on the other.

"No, Colonel, Congress has no right to give charity. Individual members may give

as much of their own money as they please, but they have no right to touch a dollar of the public money for that purpose....There are about 240 members of Congress. If they had shown their sympathy for the sufferers by contributing each one week's pay, it would have made over \$13,000. There are plenty of wealthy men in and around Washington who could have given \$20,000 without depriving themselves of even a luxury of life. The Congressman chose to keep their own money, which, if reports be true, some of them spend not very creditably; and the people about Washington, no doubt, applauded you for relieving them from the necessity of giving what was not yours to give

"So, you see, Colonel, you have violated the Constitution in what I consider a vital point. It is a precedent fraught with danger to the country, for when Congress once begins to stretch its power beyond the limits of the Constitution, there is no limit to it, and no security for the people."

MORAL VALUES

In these two stories we see two opposite solutions to health care problems; the Christian solution and the political solution. Dr. C. Everett Koop, who will be our featured speaker this evening, has challenged everyone to debate political health care, and I rise to accept his challenge. Dr. Koop supports the President's Health Security Plan. In his advocacy of politicized medicine, Dr. Koop has written:

Before we can enact the sweeping reform that I think must take place, I think we have to agree on the basic values and ethics upon which our health care system, and our whole society, indeed, is based and from which we draw our moral power. I am convinced that if we could reach an ethical consensus, many of the economic and political problems would fall into place rather easily.³

In focusing first on ethics, Dr. Koop has correctly recognized the more important part of the health care debate. Economics is at best secondary, and I shall discuss it in second place. Ethics is of greater importance. Theology is of first importance.

Now what precisely are those basic values and ethics upon which our "whole society is based and from which we draw our moral power?" Certainly the single most important moral value - the moral value that has given the United States whatever moral authority it has had and still has in the world - the moral value which has attracted tens of millions to our shores and created the most humane society of modern times - is individual liberty. Individual liberty logically and historically depends on several other values, among which are the following:

1. The sovereignty of God. In political terms this means that God, not the state, society, race, class, Volk, or church is the source of security. The modern idolatry of state and politics, for which the economist Ludwig Mises coined the word "statolatry," is the cause of the horrific government-caused suffering that has afflicted the modern world, making the twentieth century the bloodiest century in the Christian era. The medieval idolatry of the church, ecclesiolatry, is responsible for most of the suffering and persecution of Christians during the Middle Ages.
2. Limited Government. The sovereignty of God entails the limited power and authority of all human institutions. The Constitution of the United States created a government of enumerated and limited powers. Within that government, there is a separation of powers, so that no man or department exercises all the power of even a limited government. Only God, not men, is to be trusted with power. A night-watchman state, such as that suggested by the apostle Paul in Romans 13, is a basic moral value of American society.
3. The primacy of the individual. The importance of the individual - rooted in the Reformation's recovery of the Bible's doctrines of individual election, individual regeneration, individual justification, individual sanctification, individual responsibility before God at the final judgment, personal immortality in heaven (or hell),

justification by belief alone and the priesthood of all believers - is a basic value of American society. From it are derived all the various individual freedoms and protections we enjoy: religion, press, speech, association, privacy, private arms, self-incrimination, trial by jury, double jeopardy, and contract.

4. Private property. The mention of freedom of contract calls to mind the idea of private property. No one can seriously deny that private property is one of the basic values of both the Bible and American society. It has been under heavy attack in the twentieth century by atavistic and criminal collectivists who wish either to abolish it or to redistribute it by political means. "Thou shalt not steal" applies to all, both rulers and private citizens. Rulers routinely violate the commandment by taxation, expropriation, and inflation.

5. The Protestant work ethic. What Max Weber called the Protestant work ethic is itself a bundle of economic virtues: Honesty, punctuality, diligence, obedience to the Fourth Commandment - six days you shall labor, obedience to the Eighth Commandment, you shall not steal, and obedience to the Tenth Commandment - you shall not covet. A recognition of the significance of productive work as glorifying God grew out of the Bible and the Reformation.

6. Individual Responsibility. The Bible clearly makes each man responsible for himself, both in this world and the world to come. In economics, Paul says that he who does not work shall not eat. Paul recognized no entitlement to the property of another.

7. Generosity. Perhaps no people has been as generous to those unable to help themselves as Americans. This is a consequence of two factors: Christianity and capitalism. But compassion, generosity, and capitalism have been under attack throughout the twentieth century by those who wish to substitute envy and compulsion. Compulsory charity is, of course, a contradiction in terms.

8. The rule of law. The rule of law, based upon legal principles found in the Bible, includes three major ideas: (1) that settled law, not executive decrees, regulations, or ordinances, is the only proper guide for social

conduct; (2) that laws must be both clear and non-absurd, that is, capable of being understood by all and non-contradictory; and (3) that the laws apply equally to all, including rulers.

9. Federalism. Modeled on Presbyterian church government, the federal system is a system in which no government has a monopoly of jurisdiction. This division of powers, like the separation of powers, is designed to fragment political power so that it cannot threaten the lives, liberties, and property.

10. Republicanism. Republicanism entails not only the idea of limited government, but the notion that monarchies are not proper forms of human government, that they are in fact rejections of divine kingship, and that proper human governments are elected by the people. It was not only the nation of Israel that sinned by asking for a king, but pagan nations around them and throughout history have sinned that way as well.

These are the moral values of America, which have given American whatever moral power and authority it has enjoyed and still enjoys in the world. If we subvert or abandon these values, we will have lost both our moral power and our society. National health care, such as that proposed by the Clintons and Dr. Koop, opposes and subverts every one of these moral values.

Dictators and National Health Care

The fact that national health care is inimical to individual liberty should be obvious, but since some always seem to miss the obvious, let me belabor the point. I shall begin by remarking that every dictator in this century has been an advocate of national health care.

Writing in 1949, the economist Melchior Palyi pointed out that the concept and mechanism of the welfare state - the systematic dispensing, through political channels and without regard to productivity, of domestic wealth - were at the very core of the Greco-Latin city states, of the medieval city, and of the post-Renaissance absolute monarchy

France's Henry IV in the sixteenth century promised a

chicken in every pot. Her brilliant Colbert in the seventeenth century and Prussia's enlightened Frederick the Great in the eighteenth, these forerunners of modern dictators, gloried in calling themselves the first servants of the nation. Their police state used the welfare state as its instrument, facade, and justification, as do modern dictatorships. In democracies the welfare state is the beginning and the police state the end...

Bismarck's fundamentally significant role in modern history is rarely understood. His middle-of-the-road socialism was the connecting link between the old autocrats and the coming totalitarians...

The health, or rather sickness, propaganda employed by Bismarck elevated that aspect of social welfare to a prime political issue ... such ruthless men as Bismarck and Hitler [were] profoundly interested in the physical well-being of their subjects....

...all modern dictators -Communist, Fascist, or disguised - have at least one thing in common. They all believe in social security, especially in coercing people into governmentalized medicine...⁴

Hitler, for example, established compulsory health care in occupied Holland in 1941.

The February 1920 Nazi Party Manifesto, the Twenty-five Points, included the following statements:

7. We demand that the State shall make it its first duty to promote the industry and livelihood of citizens....

15. We demand extensive development of provision for old age.

21. The State must see to raising the standard of health in the nation.

Vladimir Lenin

The March 1919 declaration of the All-Russian Communist Party, written under the guidance of dictator Vladimir Lenin, includes these paragraphs:

The dictatorship of the proletariat has already made it possible to carry out a series of measures, the realization of which was impossible in bourgeois society: the nationalization of drug stores, of large private medical institutions, of health resorts, compulsory work for all medical men and women, and so on.

In conformity with the above the All-Russian Communist Party sets as its immediate task:

(1) To carry out in the interests of the workers, sanitary measures on a large scale, such as

(1) Sanitation of centers of population (guarding of soil, water and air);

(c) The organization of measures preventing the development and spreading of infectious diseases;

(2) The struggle with social diseases (consumption, venereal diseases, alcoholism, etc.)

(3) Free trained medical assistance and medical supplies accessible to all.

It seems that universal access to health care is not a new idea.

Joseph Stalin

Article 120 of the 1936 Constitution of the U.S.S.R., written under the guidance of dictator Joseph Stalin, established a right to social security and health security:

Citizens of the USSR have the right to maintenance in old age and also in cases of sickness and disability. The right is ensured by the extensive development of social insurance of factory and office workers at state expense, free medical service for the working people, and the provision of a wide network of health resorts for the use of the working people.

Fidel Castro

Ten years ago the dictator of Cuba wrote:

Health is an essential right of all men and a responsibility

of society as a whole ... It is absolutely necessary to promote mother and child welfare care programs, the control of communicable diseases, environmental protection, distribution of foodstuffs for children ... extend health care services, train the required technical personnel and guarantee the essential basic medicines which such conditions demand.

As long as health fails to be considered a fundamental right of man and a duty of the community; as long as the responsibility of the State and of society in regards to health-care fails to be recognized; as long as inequalities in the distribution of health resources, both internationally and domestically, fail to disappear; as long as poverty, hunger, ignorance and squalor fail to be directly fought against, little will be achieved in improving human health in the underdeveloped world.⁵

Someone might object that despite the unanimous enthusiasm of twentieth century dictators for national health care, it is not necessarily subversive of individual liberty and limited government. Certainly democrats as well as dictators have advocated national health care. C. Everett Koop is no Nazi. The question, then, is who is consistent, the democrats or the dictators? The answer is clearly the dictators. There is something in the idea of national health care itself that is incompatible with individual liberty and all its constituent moral values.

GOVERNMENT PLANNING

The book summarizing President Clinton's Health Security Act is entitled *The President's Security Plan*. Government planning is incompatible with individual liberty, human well-being, and a civilized society

The Nobel Prize winning economist Friedrich Hayek, writing in his 1944 book *The Road to Serfdom*, noted that "The first of modern planners, Saint-Simon, ... predicted that those who did not obey his proposed planning boards would be 'treated as cattle.'"⁶ Saint-Simon recognized that planning is incompatible with individual liberty.

In the 1930's the British Labour Party theoretician

Harold Laski raised the question whether "in a period of transition to Socialism a Labour Government can risk the overthrow of its measures as a result of the next general election."⁷ Laski recognized that planning is incompatible with democracy.

Hayek concluded: "Once you admit that the individual is merely a means to serve the ends of the higher entity called society or the nation, most of those features of totalitarian regimes which horrify us follow of necessity."⁸ In other words, there is a necessary connection between altruism and totalitarianism. It is no accident that the dictators have been enthusiastic advocates of national health care. What is difficult to explain is how democrats can fail to see that connection.

It is obvious that if its plan is to work, the State cannot tolerate any deviation from it. Laski suggested that that entails the end of democracy. In logic it does, and in history it has. Certainly the Clinton health care plan, which "guarantees" coverage that can "never be taken away" implies that no one, Congress or the people, can be permitted to repeal national health care. Government planning is necessarily incompatible with individual freedom and democracy. Paraphrasing national health care advocate Vladimir Lenin, "The whole of society will become a single [doctor's] office and a single hospital with equality of care." And all will be guaranteed care for life.

Leon Trotsky, who understood quite clearly what government monopolies entail, might be paraphrased: "In a country where the sole physician is the State, opposition means death by health care rationing. The old principle, who does not work shall not eat, has been replaced by a new one: Who does not cooperate shall not recover.

The use of the welfare state to enforce the policies of the police state should be too well-known to be questioned at this late date in history. Physicians in the Soviet Union and Nazi Germany acted as employees of the government when they imprisoned dissenters in psychiatric prisons, euphemistically called hospitals; physicians in Nazi Germany, paid by the government, performed experiments on people without their consent;

and physicians and scientists in the United States, paid by the government, have conducted radiation, chemical, and drug experiments for the Central Intelligence Agency, the Veterans Administration, the Department of Health, Education, and Welfare, and the Pentagon.

Lest you think the dangers of medical killing in America are remote, let me remind you that there are Nazi doctors and scientists among us in 1994 who think nothing of killing unborn children as a form of preventive medicine; who think nothing of experimenting on fetuses, harvesting their ova and brains for medical and scientific purposes; who think nothing of infanticide and euthanasia; who think nothing of killing rather than healing; and who long for the day when their views will be enforced by the guns of government. National health care will give them the sanction they want.

Those who advocate national health care advocate an immoral system. Their much praised concern for others is ersatz: They do not wish to spend their own time and money, but to force others to spend their time and money. They confuse compulsion with compassion. It is this mentality that has caused the bloodiest century of the Christian era. At least a hundred million people have died by the hands of this century's rulers, all of whom have justified their killing by saying they were doing it for the good of others. The Nazi regime in particular carried out its killings for public health reasons.

THE NAZI DOCTORS

In *The Nazi Doctors*, Robert Jay Lifton describes how the national health care system in Germany killed children in the 1930's:

The structure served to diffuse individual responsibility. In the entire sequence - from the reporting of cases by midwives or doctors, to the supervision of such reporting by institutional heads, to expert opinions rendered central consultants, to coordination of the marked forms by Health Ministry officials, to the appearance of the child at the Reich Committee institutions for killing - there was at no point a sense of personal responsibility for, even involvement in, the murder of another human being. Each participant could feel like no more than a small cog in a vast, officially

sanctioned, medical machine.⁹

Dr. Marc Micozzi, director of the National Museum of Health and Medicine in Washington, D.C., has argued that the Nazi medical experiments and holocaust were made possible only because Germany had been developing a political-medical complex for 50 years before the Nazis came to power:

The German social insurance and health care system began in the 1880's under Bismarck. Ironically, it was part of Bismarck's "anti-socialist" legislation, adopted under the theory that a little socialism would prevent the rise of a more virulent socialism

The increasing involvement of the German government in medical care and funding medical research established government-medical complex that the National Socialists later used to execute their extermination policies.

By the time of [the] Weimar [Republic], German doctors had become accustomed to cooperating with the government in the provision of medical care. The reforms of the Weimar Republic following the medical crises of World War I included government policies to provide health care services to all citizens. Socially minded physicians placed great hope in a new health care system, calling for a single state agency to overcome fragmentation and the lack of influence of individual practitioners and local services. The focus of medicine shifted from private practice to public health and from treating disease to preventive health care...

Medical concerns which had largely been in the private domain in the nineteenth century increasingly became the concern of the state. The physician began to be transformed into a functionary of the state-initiated laws and policies. Doctors slowly began to see themselves as more responsible for the public health of the nation than the individual health of the patient....

Where traditional individual ethics and Christian charity had once stood, the reformers posited a collective ethic of the benefit of the general population.

Private charity and welfare were nationalized...

Politicized medicine is not a sufficient cause of the mass extermination of human beings, but it seems to be a necessary cause. The Nazi holocaust did not happen for some inexplicable German reason; it is not an event that we can afford to ignore because we are not German or not Nazis. The history of Germany from 1914 to 1945 is a telescoping of modernity - from monarchy, war, and collapse to democracy and the welfare state, and finally to dictatorship, war, and death.¹⁰

THE END OF CHARITY

But the loss of freedom for all -freedom for patients, freedom for physicians, freedom for taxpayers -is not the only consequence of national health care. The attempt to impose politicized charity subverts genuine charity. Even Dr. Koop has admitted that:"

When I first entered medicine and for many years thereafter, I and most physicians did not expect to be paid for everything we did. Donating care to some people who couldn't afford it was something expected of the profession. All that vanished with the coming of entitlement programs like Medicare.¹¹

Historically, Americans have been a generous people. In the early nineteenth century, Tocqueville contrasted the spontaneous generosity of Americans and their "free institutions" with the welfare states of Europe where the "state almost exclusively undertakes to supply bread to the hungry, assistance and shelter to the sick, work to the idle, and to act as the sole reliever of all kinds of misery.

Another nineteenth century observer declared, "New York is, I firmly believe, the most charitable city in the world. Nowhere is there so eager a readiness to help, when it is known that help is worthily wanted; nowhere are there such armies of devoted workers."¹² After decades of the welfare state, New York City has quite a different reputation.

In 1938 an editor of The New York Times wrote an essay in The Atlantic Monthly entitled "The Collapse of Conscience." He lamented the fact that personal conscience in the United States has fallen to a new low in our history as a nation. It has been largely lost to our sight in all the din and dither that have been raised about that other moral concept, the social conscience, which we are constantly reminded, has a nobler and more widely embracing function. And, the more we hear of the one, the less we hear of the other. The personal conscience has been steadily submerged; the very foundation upon which any broader conception of individual responsibility toward society must rest is being washed away..

There is a distinct flavor or cant about much of the talk concerning social conscience. The phrase slips readily from the tongue; it offers a large and easy generalization, and substitutes a vague beneficence for definite individual responsibility.¹³

An important part of the process of replacing personal charity with so-called justice involved changing the meaning of charity. Before the twentieth century, altruism, the notion that the poor were somehow entitled to the property of others, had no place in America. This was as it should be, for the Bible itself teaches no unconditional duty to help others simply because they need help.

For example, there is Paul's command, already alluded to, that he who does not work, neither shall he eat. Paul makes no mention of adverse economic conditions as an excuse for joblessness. As a good economist, Paul knew that there is always plenty of work to be done. Paul says that there is no duty to support anyone who can work and does not. The Bible knows nothing of either legal or moral entitlements to the property of another, simply because the other needs help.

Paul's command, if obeyed, would mean the immediate end of the welfare state. It is not the Bible but the nineteenth century socialist Edward Bellamy, in his very influential novel Looking Backward, 2000-1887, who advocated the notion that "The basis of his claim [to the property of others] is the fact that he is a man." The

epigrammatic Karl Marx said, "To each according to his need, from each according to his ability." The Bible says, "You shall not steal."

Second, there are Paul's rather detailed instructions about how churches are to dispense charity.

Do not let a widow under sixty years old be taken into the number, and not unless she has been the wife of one man, well reported for good works; if she has brought up children, if she has lodged strangers, if she has washed the saints' feet, if she has relieved the afflicted, if she has diligently followed every good work. But refuse the younger widows...

Here Paul quite clearly says, do not even support widows unless they meet certain qualifications, foremost of which is a lifestyle test. All charity is to be governed by the moral lifestyle of the recipient. Paul not only imposes a means test, he imposes an age test and a morals test that must govern charitable giving. Anyone who advocates legal or moral entitlements, anyone who advocates promiscuous political or private giving, anyone who asserts that some people deserve help simply because they are human beings is disobeying God. Paul says: "Do not feed ..." "Do not let a widow ..." "Refuse younger widows ..."

If one is reluctant to obey Paul's commands - though a Christian should not be - perhaps pondering Christ's healing ministry will help. When Jesus Christ walked on Earth 2,000 years ago, he had the power to end all types of sickness and illness. Yet he did not do so, because he was unwilling to do so, not because he was not all-powerful. He restricted his healing ministry to those in Israel.

There are three conclusions to be drawn from this practice of Christ:

First, since Christ never sinned, it was not a sin for him to fail to heal everyone, even when he had the power to do so. Second, Christ had one condition for healing: belief. If a person lacked belief, he did not heal him. His miracles mirrored his salvation: health, justification, and sanctification come through belief of the truth alone. Third, Christ did not want any disciples who were

interested only in his ability to feed and heal them. He obviously considered belief of the truth to be more important than physical well-being.

The modern ethic that all must be saved physically - anything less is socially unjust, we are told - reflects the modern theology that requires that all be saved eternally. Theological universalism and ethical universalism are twins. Neither one is Christian; neither one is true.

Our Calvinist fathers understood Paul and Christ quite well, but their children have been so overcome by a vicious and sentimental universalism and altruism that they find Paul's commands to withhold charity, to refuse help to some people, as shocking as the notion that some people are going to hell. But in 1686 the Scots Charitable Society declared that "no profane or dissolute person, or openly scandalous shall have any part or portion herein."

Sixty years later (1752) in America minister Charles Chauncey told the Society for Encouraging Industry and Employing the Poor that the Society was restrained as to the distribution of charity; not being allowed to dispense it promiscuously, but obliged to take due care to find out suitable objects; distinguishing properly between those needy people who are able, and those who are unable to employ themselves in labor.

In 1821 New Hampshire's Wood-bury and Whipple reflected the thinking of their time and of the Bible by saying that "the poverty which proceeds from improvidence and vice ought to feel the consequences and penalties which God has annexed."

In nineteenth century America "charity organization societies considered 'worthy of relief' only those who were poor through no fault of their own and unable to change their situation quickly."¹⁴ Our fathers distinguished, just as Paul did, between the deserving and the undeserving poor.

FROM LIMITED TO UNLIMITED GOVERNMENT

Since charity is a private responsibility, government has no role in providing it. President Grover Cleveland, at the end of the nineteenth century, vetoed a bill to give disaster relief to farmers in Texas and sent the following veto message to Congress:

I return without my approval House bill No. 10203, entitled, "An Act to enable the Commissioner of Agriculture to make a special distribution of seeds in the drought-stricken counties of Texas, and making an appropriation [of \$ 10,000] therefore."

It is represented that a long-continued and extensive drought has existed in certain portions of the State of Texas, resulting in a failure of crops and consequent distress and destitution.

Though there has been some difference in statements concerning the extent of the people's needs in the localities thus affected, there seems to be no doubt that there has existed a condition calling for relief; and I am willing to believe that, notwithstanding the aid already furnished, a donation of seed grain to the farmers located in this region, to enable them to put in new crops, would serve to avert a continuance or return of an unfortunate blight.

And yet I feel obliged to withhold my approval of the plan as proposed by this bill to indulge a benevolent and charitable sentiment through the appropriation of public funds for that purpose.

I can find no warrant for such an appropriation in the Constitution, and I do not believe that the power and duty of the General Government ought to be extended to the relief of individual suffering, which is in no manner properly related to the public service or benefit. A prevalent tendency to disregard the limited mission of this power and duty should, I think, be steadily resisted, to the end that the lesson should be constantly enforced that though the people support the Government, the Government should not support the people.

The friendliness and charity of our countrymen can always be relied upon to relieve their fellow-citizens in misfortune. This has been repeatedly and quite lately demonstrated. Federal aid in such cases encourages the

expectation of paternal care on the part of the Government and weakens the sturdiness of our national character, while it prevents the indulgence among our people of that kindly sentiment and conduct which strengthens the bonds of a common brotherhood.

Government's role in society is well-defined by the Bible: Its purpose is to punish evildoers. Since by its nature government involves the use of force, government is restricted to activities where the use of force is appropriate: the punishment of criminals. This night-watchman state has no role in the economy, even less in charity. The welfare state, and national health care, are immoral.

GOVERNMENT IS FORCE

This brings us to the central recognition that government is force. Two centuries ago George Washington warned that government is not reason nor eloquence, but force. Like fire, government is a dangerous servant and a fearful master. The United States is operating under the delusion that government is benevolent by nature and that public officials act only in the public interest.

Here are some of the ways force will be applied to the American people under the Clinton Health Security Plan:

1. If it becomes law, you will be forbidden from purchasing basic health insurance of your choice, even if you pay the premium for a government plan first
2. You will be forbidden from receiving any treatment that the government considers unnecessary or inappropriate, even though you and your doctor might disagree.¹⁵
3. Unless you get Medicare, military or veterans benefits, or work for a company with 5,000 or more employees (which alliances are already government organizations), you must join a government monopoly called a health alliance. If you do not, you will be assigned to one.

4. You will be denied medical care unless you are a member of an alliance. You will be required to carry a health passport which electronically encodes your medical history.

5. You will be forbidden to pay the doctor yourself; he can be paid only by a government approved health care plan.

6. Your doctor will be compelled to provide all your medical information to a national data bank which will keep files on all Americans.¹⁶

7. State governments and insurers must make "automatic, mandatory, nondiscretionary reductions in payments" to doctors, nurses, and hospitals to "assure that expenditures will not exceed budget. Health care will be rationed.

8. Approved health care plans will be forbidden to deny enrollment to anyone.

9. Doctors and patients will be compelled to accept government set fees for services.

10. Offering a doctor an extra payment is a "bribe" punishable as a crime, including denial of health care. He who does not cooperate shall not receive health care.¹⁷

11. If a state government fails to cooperate with the National Health Board, which is the Supreme Health Soviet, it will lose all federal health appropriations and new federal taxes will be imposed on all employers in that state.

12. The government approved health plans are forbidden to discriminate among applicants on the basis of individual characteristics, health status, anticipated need for health care, occupation, or affiliation with any person or entity.¹⁸

13. Medical school applicants will be accepted or rejected by government boards and assigned to a specialty of the government's choosing.¹⁹

14. Heavy new taxes will be imposed to fund the plan.²⁰

The results of this sort of totalitarian medicine were described 30 years ago by the liberal political scientist:

Medicine in the Soviet Union is socialized; complete medical care is available to all citizens free of charge.

Soviet doctors, on the whole, are rather poorly paid. Some augment their salaries, semi-legally, by engaging in private practice. Since this pattern seems sufficiently widespread, we can say that people who have wealth or positions of authority receive better medical care than the majority, because they can engage physicians for private service.

he [the doctor] is the only person in the social system who has authority to excuse people from work to which they have been assigned. In a society where heavy duties are imposed on all, sickness is one of the few legitimate escapes from obligations ... This ... encourages the citizen, at times, to simulate illness, exaggerate his troubles, or, in real desperation, deliberately induce disease or injury. In turn, the physician's task is complicated by the need to weed out malingerers ... He is, after all, not only the healer of the sick, but also an officer on the staff of the government which is interested in getting socially desirable work done ... Medical care, in short, is a means to promote economic growth.²¹

THE PROMISES OF NATIONAL HEALTH CARE

Meyer's description of the Soviet health care system suggests that the realities of totalitarian medicine are quite different from its promises.

National health care plans promise universal access,²² but they invariably deny access to some, frequently for non-cooperation with the authorities.

National health care plans guarantee equality of care,²³ but those with political clout always get more and better care.

National health care plans promise adequate care, but what they always deliver is rationing.²⁴

National health care plans promise high quality care, but what they invariably deliver is cookbook medicine, with treatments approved by government officials, not by patients and their doctors.

National health care plans promise cost savings, but they invariably break the budget.²⁵

The Health Security Act claims to increase competition, but it actually creates monopolies.²⁶

As for the state of competition among American drug companies, the top five drug companies supply 30 percent of the market. The top five beer companies supply 90 percent of the beer market. The top five car companies supply 80 percent of the automobile market.

The whole apologetic for national health care is based on deception. That deception extends even to the deliberate misuse of certain words by proponents of national health care.

THE MISUSE OF LANGUAGE

In his essay "Politics and the English Language," George Orwell explains how politics corrupts language. That corruption can be clearly seen in the deliberate misuse of words by advocates of national health care.

The first instance of the misuse of language is the word "crisis." Whenever some twentieth century political faction in America has wanted to push its program through or get elected, it has attempted to scare the American people with talk of a crisis.

Candidate John Kennedy did it in 1960 with his warnings about a "missile gap." Socialist Michael Harrington and President Lyndon Johnson did it in the mid-1960s with their warnings about a poverty crisis. In the 1970s and '80s it was the energy crisis. In Germany in the 1930s, it was the Reichstag fire.

The past behavior of socialist politicians should make

everyone skeptical of any new crisis politicians might announce. Rather than jumping on command, we should try to discover how the latest alleged crisis will be used to increase political power.

There is no health care crisis. Eighty percent of the American people report that they are "very" or "somewhat" satisfied with their present health care. The uninsured, whose numbers are far less than the 37 million the press reports, receive almost as much health care as the insured. A more accurate number of the chronically uninsured is 5 million. Of the uninsured, more than half are members of families with full-time workers, 40 percent have incomes over \$20,000 per year, and 10 percent have incomes over \$50,000 per year. They simply choose to spend their money on other things. Thirty-seven percent of the uninsured are under 25; and those with incomes less than \$20,000 spend several times as much on alcohol, tobacco, and entertainment as they do on health care. Only one percent of those under 65 are uninsurable, that is, they cannot easily purchase health insurance. There simply is no health care or health insurance crisis.

Here is a second example of the misuse of language: the word insurance. What is being discussed is not insurance at all. The notion of insurance includes insurers weighing risks, accepting or rejecting risks, and setting premiums based on risks accepted, but all are specifically forbidden by the Health Security Act. Franklin D. Roosevelt used the same tactic to get Social Security passed in 1935.

Third, the taxes collected to fund this health security plan are not called taxes, but "contributions." Of course, this is not a new misuse of language either; it is at least as old as the Social Security Act. No one pays social security taxes; we all make "contributions." Try to stop making those "contributions," and you will find out exactly what they are.

Fourth, the phrase "universal access" is itself a deception. Today, everyone in the United States has access to health care. Statistics show that the uninsured receive almost as much medical care as the insured. What the phrase "universal access" really means is compulsory participation. The Health Security Act

provides that "Implementation involves the enactment of a statute adopting federal program standards, formation of regional health alliances, and imposition of requirements for employers and individuals to obtain coverage." Notice the phrase, "imposition of requirements."

Finally, the biggest deception of all is "equality." We know that all animals are equal, but some are more equal than others. What a politicized health care system means is that anyone with political connections or pull will get better care than those without power. Care will flow to those who wield political power, and the powerless will suffer.

THE AMERICAN HEALTH CARE SYSTEM

One can agree that there are serious problems with the present health care and health insurance systems in the United States. Nothing in this paper should be construed as a defense of the status quo. But those serious problems arose because of government interference in the insurance and care systems.

Costs

In 1993 total spending on health care in the United States was about \$940 billion, about 14 percent of our gross national product. In 1950, the amount spent per American on health care was \$82; in 1986 it was \$1,837; in 1993, over \$3,500; and it is projected to be \$5,550 in 2000.

Dr. Koop has written: "During the past 30 years ... health care expenditures have risen in the United States from 4 percent to 14 percent [of GNP] "²⁷

Why have costs risen so fast in the past 30 years? Thirty years ago, the federal government became heavily involved in medicine: It enacted Medicare and Medicaid, creating a higher demand for medical services and driving costs up. At the same time, it took steps to restrict the supply of drugs, personnel, and medical devices.

EMPLOYMENT-RELATED INSURANCE

One of the major criticisms of today's insurance system is that insurance depends on employment. Health insurance is tied to employment only because of government tax policies from 1942 to the present.

Prior to 1930, most Americans paid most of their medical expenses out of their own pockets. (By 1930 the United States had as many or more medical, nursing, and dental schools and hospital beds per capita as it has today.)

Employer-provided health insurance emerged during the 1940s. The price and wage controls illegally imposed during World War II, plus an illegal military conscription, brought about a shortage of civilian labor. Employers were forbidden from increasing salaries to attract workers. In 1942 the War Labor Board decided that fringe benefits up to five percent of wages would be permitted. Employers began to offer health benefits as a way of providing additional compensation and attracting needed workers. Enrollment in group hospital plans grew from less than 7 to about 26 million subscribers from 1942 to 1945.

At the same time, the Internal Revenue Service made two rulings:

(1) the purchase of health insurance for workers was a legitimate cost of doing business and could be deducted from taxable business income; and (2) workers did not have to include the value of health insurance benefits in calculating their taxable income. Those tax provisions are still a part of IRS rules.

Labor unions, themselves privileged by federal law, began to demand employer-provided insurance in their contracts. In 1948 the National Labor Relations Board ruled that health insurance was a legitimate subject of collective bargaining, and this encouraged the spread of plans.

STATE RESTRICTION OF INSURANCE

There are almost 1,000 state laws restricting insurance policies that may be offered to customers. In 1970 there were only 30 state-mandated benefit laws nationwide. They are a major reason why many people

lack health insurance: state-mandated benefits increase the cost of insurance and price many people out of the insurance market. One study shows that as many as one out of every four uninsured people lack health insurance because state regulations have increased the price. Assuming the figure of 37 million uninsured is correct, this means that as many as 9.3 million people lack health insurance because of state government restriction of the types of policies that may be offered.²⁸

DRUG REGULATIONS

In 1962, amendments to the Food, Drug, and Cosmetic Act imposed a requirement that new drugs be shown to be safe and effective before they were marketed. Since then the process by which a new drug receives approval from the FDA has become increasingly complicated, lengthy, and costly. In 1994 the average new drug takes 11 years and \$231 million to bring to market. In 1980 the same standards were applied to medical devices. The federal requirements for drug testing, by delaying the introduction of new drugs, have caused the deaths of hundreds of thousands of Americans in the past 30 years. These deaths were the result of a policy of politicized compassion and consumer protection.

INFLATION

Since 1960 the federal budget has been balanced only once, and the official national debt has increased by four trillion dollars. The Federal Reserve has increased the money supply, the last silver has been removed from our coins, silver certificates were removed from circulation, the last gold backing for our paper currency was abolished, and consumer prices have increased about 500 percent. All of these government policies have affected the cost of health care since the 1960s. Creating a new health care bureaucracy and new spending, when the federal government has no money, must result in higher taxes and more inflation. Both are forms of institutionalized stealing by government.

The Department of Veterans Affairs

The United States already has one national health care

system: The Department of Veterans Affairs. In September 1990 the television show *Primetime Live* filmed conditions at some VA hospitals. They found blood-stained needles lying openly on tables, and old and broken equipment in the Cleveland hospital. Patients told reporters that the nurses hadn't shaved or bathed them for three weeks. Several had been lying in their own feces for hours. One VA hospital employee described the system as "Bad facilities, incompetent doctors, and medications that are ordered but don't get there." Some nurses reported that doctors did not change their gloves and routinely spread dangerous bacterial infections.

Primetime hid a camera in the room of a Vietnam veteran. According to nurses and staff the patient did not receive prompt treatment when he entered the hospital, and as a result, surgery became necessary. His family accused the hospital of failing to treat his spinal abscess in time, and now the patient is quadriplegic. The camera showed that although the food was brought to the patient, no effort was made to feed him, and he went without food for three days until another patient wandered into his room and fed him.

Patients at the Washington, D.C., VA Medical Center sometimes "walk around with a catheter for three or four months" awaiting prostate surgery, states Chief of Medicine James Finkelstein. "It makes them vulnerable to infection and discomfort," he says. "We're doing the same thing they do in Great Britain." A World War II veteran had all his upper teeth pulled by the Denver VA in September 1988, but he didn't receive his dentures until November 1989.

The New York Times reported that six men treated at the VA Medical Center in North Chicago during 1989 and 1990 died due to inadequate care. Two died from undiagnosed aneurysms, one from undiagnosed heart blockage, one from hemorrhage following surgery, one from a misdiagnosed ulcer, and another from an artery nicked during prostate surgery. During one of the emergency surgeries to repair the aneurysm, the small intestine and an artery were torn by a clamp. The torn artery was not discovered until the autopsy. The man who died from heart blockage was given Maalox for

indigestion. The fatal hemorrhage following vocal cord surgery was observed by a doctor, who did nothing to stop the bleeding.

Even Dr. Koop admits that "the federal track record in the health care business is dismal."

CONCLUSION

Our consideration of the ethics and economics of health care leads us to several conclusions

1. The proposed Health Security Plan, and indeed any political health care plan, is subversive of the fundamental moral values that have given the United States whatever moral authority it has in the world. Government planning is incompatible with freedom of choice in health care, freedom of contract, private planning, limited government, federalism, the rule of law, individual responsibility, the work ethic, and Christian charity.

2. The proposed Health Security Plan is inimical to the Biblical ideas of sovereignty of God; the primacy of the individual; the proper function of the state; the sinfulness of theft, idleness, and envy; and the exercise of Christian charity.

3. The proposed Health Security Plan is no different in principle from the various plans advocated by all of the dictators of the twentieth century.

4. The creation of a political-medical complex as proposed by the Health Security Plan is a necessary condition of a totalitarian state, as illustrated by the history of Germany.

5. The Health Security Plan is antithetical to the Christian idea of charity and is based on the Marxist credo: "From each according to his ability, to each according to his need."

6. The Health Security Plan involves the immoral use of force against patients, doctors, hospitals, insurance companies, drug companies, and taxpayers.

7. The promises of the plan - universal access, equality

of treatment, high quality of care, low cost, adequacy of care, and so forth - are false. Both economics and history demonstrate the necessary failure of politicized medicine.

8. The language used by proponents of the health security plan, as well as some of the statements they make, are deliberately deceptive and false.

9. The origins of most if not all the problems perceived in our present health care system - rising costs, lack of insurance coverage, shortages of personnel - are the previous actions of both state and federal governments.

We must conclude that the proposed Health Care Plan - and every Plan that involves government in medicine - is both immoral and impractical. That implies, of course, that our present system, which already suffers from severe government interference, does need to be reformed. But the reforms needed have not been suggested by either President Clinton or the Republican Party. They include the following:

1. The abolition of all government health care programs, including Medicare, Medicaid, and the VA.

2. The repeal of all taxes used to support such health care.

3. The repeal of all regulations on drug testing and licensing.

4. The repeal of laws requiring certain drugs to be prescribed only by a physician.

5. The repeal of all occupational and institutional licensing laws.

6. The repeal of all state restrictions on insurance plans.

7. The modification of income tax rules to allow full deductions to individuals for insurance and medical care. Better yet, the repeal of all local, state, and federal income tax laws.

The present health care system needs reform, but improvement will come only with less government interference, not more. These seven measures will make

the government more compatible with Christianity and America's fundamental moral values.

Thank you.

This paper was delivered at the regional meeting of the Evangelical Theological Society at Westminster, Philadelphia, Pennsylvania, March 4, 1994.

References

2. C. Everett Koop "is one of the most thoughtful, courageous, and independent health care leaders in the nation.... For many years, Dr. Koop has campaigned to reform the health care system. He has been a passionate advocate of primary and preventive care, of universal coverage and cost containment." - Hillary Rodham Clinton, The White House, September 20, 1993. The Koop quotation is from Let's Talk, pages 102-104.
3. C. Everett Koop, "Will the Crisis in Healthcare Deprive Us of Its Opportunities?" Transactions and Studies of the College of Physicians of Philadelphia, Ser. 5, Vol. 15 (1993), 58.
4. Compulsory Medical Care and the Welfare State. Chicago: National Institute of Professional Services, 1949.
5. Fidel Castro, The World Economic and Social Crisis. Havana: Publishing Office of the Council of State, 1983, pp. 215, 188.
6. University of Chicago Press, 24.
7. As quoted in The Road to Serfdom, 63.
8. The Road to Serfdom, 149.
9. New York: Basic Books, 1986, 55.
10. "National Health Care: Medicine in Germany, 1918-1945," The Freeman, November 1993, 416-420.
11. C. Everett Koop and Timothy Johnson, Let's Talk, 133. Oddly, Dr. Koop thinks Medicare is one of the "most noble" things the U.S. government has done.
12. As quoted in Marvin Olasky, The Tragedy of American Compassion. Washington: Regnery Gateway, 1992, 100-101.
13. J. Donald Adams, "The Collapse of Conscience," The Atlantic Monthly, January, 1938, 56.
14. The Tragedy of American Compassion, 104. The previous quotations are taken from Olasky as well.
15. Dr. Koop says: "... treatments for individual patients should not be based in 'society values' but on 'patient values,' which often differ from society values and even from physicians values." Let's Talk, 121. But of course the Plan Dr. Koop supports eliminates "patient values" from consideration.
16. Dr. Koop says: "Nothing is more important to me than doing what I can to restore a trusting doctor-patient relationship." Who will be able to trust his doctor knowing that everything must be reported to the government?
17. Dr. Koop says: "the federal government should follow the lead of states that prohibit any physician from owning a facility to which a patient could be referred with financial profit going back to the referring physician." Let's Talk, 91.
18. Dr. Koop says: "Pre-existing health conditions should not exclude people from insurance coverage." Let's Talk, 111.
19. Dr. Koop says: "We need a rational plan for the training and allocation of physicians ..." Let's Talk, 92. Also: "We can no longer be the only industrialized nation that does not subsidize or completely pay for the education of its physicians."
20. Dr. Koop says Congress should "slap a hefty tax on cigarettes" and impose new taxes on alcoholic beverages, handguns, and ammunition. He goes on to advocate the politics of avarice: "Instead of blindly opposing the \$2 cigarette tax, tobacco-state members of Congress should be fighting for their share of the pie to help move their states into the economy of the 21st century." The Washington Post, September 21, 1993.
21. Alfred Meyer, The Soviet Political System, New York: Random House, 1965, 366-368.
22. Dr. Koop Says: "All Americans must have access to basic health insurance for primary and preventive care, and catastrophic health insurance." "Will the Crisis in Healthcare Deprive Us of Its Opportunities?" Transactions and Studies of the College of Physicians of Philadelphia., ser. 5, vol. 15, 1993.
23. Dr. Koop says: "Some things -like universal access - are not negotiable, and that's exactly the way it should be ... When I read the first draft of the [Clinton] plan, ... I was supportive of the plan, even if there were specific issues with which I disagreed." The White House, September 20, 1993.
24. Dr. Koop says: "The real problem is that far too many Americans have too much health care." He favors politically restricting the health care available to Americans.
25. Alain C. Enthoven, Professor of Economics at Stanford University and a leading proponent of managed competition,

has criticized the Clinton plan as a "wolf in sheep's clothing" deceptively hiding behind the language of market competition while creating a "complete federal takeover in health care." The National Health Board is "a huge power grab" and the financing plan "puts the federal budget at risk."

26. The German Marxist Rudolf Hilferding explained the role of prices in a socialist economy almost a century ago: "What a government economy does is precisely to abolish the autonomy of economic laws; it is not a market economy, but an economy for use. What is produced, and how it is produced, is no longer determined by the price but by the state planning commission [in this case, the National Health Board], which fixes the character and extent of production. To outward appearances, prices and wages still exist, but their function has completely changed. They no longer determine the course of production. That is directed by the central government. Prices and wages are now only instruments of distribution determining the share that each individual shall receive out of the sum total which the central government allots to the whole population. Prices have now become the technical means of distribution, a means simpler than would be a direct order stipulating the amount of the various products (which have ceased to be 'commodities') to be received by each individual. Prices have become symbols of distribution, but they are no longer the regulators of the nation's economy. While the form has been maintained, the function has been completely changed."

27. "Reducing Health Care Costs by Replacing the Need and Demand for Medical Services," *New England Journal of Medicine*, July 29, 1993.

28. Dr. Koop says: "State legislature should eliminate state-mandated insurance benefits ... People should be able to pick a plan that best suits their individual and family circumstances." *Let's Talk*, 111. But of course the Health Security Act, which Koop supports, prevents people from picking a plan that suits them best.