

# Socialism, Capitalism and Health Care

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## Introduction

*The US political and economic elites have always bragged that capitalism is far superior to socialism in terms of providing people's personal welfare. They claim that citizens live longer, healthier and happier lives under capitalism.*

The debate between the supporters of the US Affordable Care Act or 'Obamacare' and its most vehement opponents under President Trump is not part of any larger system debate since both 'sides' base their vision and plans for medical care on private, for-profit corporate insurance schemes. This source of funding would 'harness market forces' to deliver quality medical care...in a marketplace of 'free competition', in which every American, even the most fragile, cancer-ridden patient, would be an engaged stakeholder, weighing a huge menu of free choices...

The real comparison of how these economic systems provide basic health care should be based on showing which provides the best population outcomes, personal satisfaction and community security across national boundaries. National health systems top the chaotic private system in these parameters.

On the other hand, the US tops all European countries in terms of the percentage of workers and family members who avoid necessary trips to the doctor because they fear financial ruin from the inflated costs of their private health care. In other words, majorities of people, dependent on private for-profit insurance schemes to provide health care, cannot afford to visit a medical facility, doctor or clinic even to treat a significant illness. The type of economic system funding health services determines the likelihood of a patient actually going to seek and receive important medical care that will preserve life, one's ability to work and enjoy some level of satisfaction.

This essay will include a brief discussion of the social and political conditions, which gave rise to the socialized, and clearly more effective, health care system. And we will touch on the consequences the two health systems in terms of people's life expectancy and quality of life.

## Comparing Costs of Medical Visitation by Economic System

The US is the only developed country relying on a private, for-profit insurance system to fund and deliver medical care for its working age population. In contrast, all countries in the

European Union have some form of publicly funded and delivered health plans for its workers.

One of the key quality measures of a health care system is a patient's access to timely competent medical care.

The Organization for Economic Co-Operation and Development (OECD) recently conducted a systematic comparison of seven countries, with different levels of GDP, and the percentage of people in each country who are able to afford medical consultations for necessary medical care.

The European countries all have established national public health programs with clear goals and measures in terms of outcomes. The US is the only nation to rely on privately administered and funded health care systems for its working age population.

### The Results

Over one-fifth (22%) of the US working age population believe they cannot afford to consult a doctor or medical clinic – in the event of an illness or accident. In contrast, less than eight percent of European workers view themselves as unable to afford necessary medical care. For the largest EU nations, less than 5% of the working population avoids care because of a perceived inability to pay for essential services. US workers are five times more likely to voluntarily forego health care, often with disastrous long-term consequences.

If we compare the US with its 'free market' private insurance run system with any EU nation, we find consistent results: Access to competent, essential medical services in the US is far worse!

In Germany and France, the EU's most developed nations, working age citizens and their family members have three to ten times better access to health care than the US. 8% of workers in France and 2% in Germany postpone necessary visits to the doctor because of a perceived inability to pay. Among middle developed EU nations, 4% in the UK and 4.5% in Italy cite financial reasons for skipping essential medical care – compared to 22% of working age Americans.

Even in the least developed EU nations, Spain and Portugal, with the highest unemployment rates and lowest per capita income, workers have greater access to health care. Only 2.5% of workers in Spain and 7.5% in Portugal view costs as a reason to avoid visiting their doctor.

### High Tech Billionaires Speak of 'Values' while Maximizing Profits

*'Protecting our community is more important than maximizing our profits'*, the multi-billionaire Mark Zuckerberg opined this month, after his company, **Facebook** posted its first ever \$10 billion quarterly earnings result. (FT 11/16/17 P 8)



Zuckerberg and entourage had apparently ventured into Middle America discovering to their shock that American communities were in the midst of a narcotic addiction crisis, which had caused hundreds of thousands of deaths and disrupted the lives of millions of addicts' family members. The natives of Middle America were more concerned about access to effective addiction treatment than their access to *Facebook*! Zuckerberg, with his legions of highly educated foreign workers on the West Coast, conveniently missed the chance to identify the source of the American addiction crisis: The over-prescription of opioid pain medications by tens of thousands of private US medical practitioners, pushed by the giant US pharmaceutical industry in a 2 decades-long medical genocide that the nations of Europe had so 'miraculously' avoided because of their centralized, regulated, socialized health systems.

While the US may have the least available and least affordable health care for working people, it can certainly boast about producing the highest number of super-rich in the world. Five of the world's largest companies are US-owned with a combined market capitalization of \$3.3 trillion for the top US tech giants. Europe's largest tech company, SAP, is sixty notches below.

The US giant mega-billion dollar tech companies and CEO's are also mega-billion dollar tax-evaders who stash their fortunes overseas and avoid the inconvenience of having to contribute to any national health programs for workers – whether in the US or elsewhere. The monopoly tech corporations' wealth and power are one important reason why over a fifth of working age Americans cannot afford necessary medical care. As one acute observer noted,

'The new high tech elite tend to cloak their self interest by talking about values which has the collateral benefit of avoiding talk about wealth.'(FT 11/17/17 P9)

The scarcity of European multi-billion dollar tech CEOs, like the American Zuckerberg and Gates, is linked to the domestic tax systems that provide public financing and management of effective medical service serving hundreds of millions of European workers.

In other words, the US, with its far more extreme concentration of wealth and social inequality, continues to have the greatest level of health care inequality among industrialized nations.

Europe is not without inequalities, monopolies and underfunded health programs but it delivers far better and more accessible care to its citizens than the private capitalist health

system promoted in the US.

## Historical Roots of the Superior European Health Care System

The power of monopoly capital is one of the key factors resulting in the deteriorating quality of health care for the US working population. Another factor is the lack of consistent working class struggle in the US compared to Europe. After the Second World War, there were huge waves of working class strikes across France, Italy and the UK. Various communist parties in continental Europe played a leading role within the trade unions demanding for publicly funded, national health care. In the UK, Socialists and the Labor Governments were pushed by their trade union members to craft a national health system to meet the needs of workers and their families. While Germany had a basic national health system dating from the time of Bismarck in the late 19<sup>th</sup> century, the socialist economy and public services developing in the German Democratic Republic (East Germany) after the Second World War provided an alternative for West German workers who then successfully pushed for the implementation of an advanced welfare state, including a socialized medical care system, within the thoroughly capitalist German Federation.

In the 1970's Spain and Portugal shed their fascist past and post-war dictatorships. The militant trade unions and leftist parties ascended to power on promises to implement social-welfare programs, which, even with their economic limitations, included highly effective national health programs. Life expectancies rose dramatically.

The US has neither welfare nor national medical programs for its working population. Despite a brief interlude of American workers' strikes shortly after WWII, leftist militants, communists and socialists were purged and corrupt business-linked trade union leaders took over. Rather than struggle for an effective national system of publicly funded medical care, the trade unions, linked to the Democratic Party, pushed their membership to struggle for 'nickel and dime' wage increases – accepting a system of the most expensive, and unaccountable private health care in the world.



The capitalist US has been the only country to deprive its working age citizens and their family members of an effective national health system. After over 60 years, the results are damning. Providing essential medical care for American workers, through the various forms of private, for-profit insurance schemes, has resulted in an uncontrolled health care cost inflation making manufacturing in the US far more expensive than its European, Japanese or Canadian competitors.

From 2001 up to 2018, under Presidents Bush, Obama and Trump, the US taxpayers have spent \$5.6 trillion dollars on privately delivered, for-profit medical care with unimpressive results in terms of population health and life expectancy. On a per-capita basis, this is twice the amount spent on citizens of the EU who have consistently enjoyed rising life expectancy

and improving health parameters. Despite this enormous investment of money in a chaotic, ineffective private system, the US Treasury has steadfastly maintained it could not finance a National Health Program for the population.

### Present and Future Consequence of a Capitalist 'Health System'

Today millions of US wage earners can expect to suffer shorter and less healthy lives than their counterparts in other industrialized countries in Europe and Japan. The opioid addiction epidemic among US workers, caused entirely by uncontrolled prescription of highly addictive narcotics by private practitioners and pushed by the profit-hungry US pharmaceutical industry, has led to over 600,000 deaths by overdose and millions of lives shortened by the brutal realities of addiction and degradation. This legally prescribed epidemic is unique to the United States where an estimated 15% of construction workers need treatment for addiction, millions have dropped out of the labor market due to addiction and the medical plans of numerous US building trade unions are facing bankruptcy because of the cost of addiction-treatment for its members. The anti-addiction drug, *Suboxone*, is the most expensive and heavily prescribed medication for some union health plans. The reasons for this atrocity are clear: Injured American workers were being prescribed long courses of cheap, but highly addictive opioids to address their pain during cursory visits to 'medical clinics', rather than providing them with the more expensive but appropriate post-trauma care involving physical therapy and rest. The bosses and supervisors, who just wanted 'warm bodies' back on the job, were oblivious to the impending disaster.

Mega billion dollar private drug companies manufactured and promoted highly addictive prescription narcotics and paid 'lobbyists' to persuade US politicians and regulators to 'look the other way' as the addiction epidemic unfolded. Corporate hospitals and for-profit physicians, nurses, dentists and others participated in a historic catastrophe of medical irresponsibility that ended up addicting millions of American workers and their family members and killing hundreds of thousands. A huge proportion of prescription narcotic addicts are white workers in poorly protected manual jobs (construction, factories, farms, mines etc.). They lack access to effective, responsible medical care. In new millennium America, their jobs would not provide for 'time off' or physical therapy following injury and they unwittingly resorted to the 'miracle' of prescription opioids to get back to work. In many cases, their private medical insurance plans blatantly refused to pay for more expensive non-addictive alternatives and would insist the workers receive the cheap opioids instead. The rare worker, who demanded to take time off to seek effective medical and physical therapy for an injury, would be fired. US capitalists could easily ignore the growing shortage of healthy American construction and other workers by importing cheap, skilled labor from abroad and sanctimoniously blame American workers for their disabilities.

### Conclusion



Opioid overdoses burden US hospitals  
(Source: Health Day News)

Workers in even the poorest European Union countries have greater access to better, more effective medical care than their US counterparts. They continue to enjoy rising life expectancies and longer lives without disability. Their injuries are treated appropriately with rest and physical therapy. Injured European or Japanese workers are never prescribed ridiculously long courses of highly addictive narcotics given to Americans. Certainly any increase in overdose deaths from prescribed opioids in the European Union or Japan would have generated rapid public health investigations and corrective action – a marked contrast to the two decades of callous indifference within the US medical community that bordered on Social Darwinism considering the working class identity of most victims. In Europe and Japan, long-term narcotic therapy is reserved for terminal cancer patients suffering from intractable pain. It would never have been offered to rural or working class teenagers for sports injuries – a common practice in the US!

The European public medical care systems are the product of class struggle and socially conscious mass movements and political parties that produced welfare states where improving population health was a central goal of its social compact. In contrast, the private-for-profit health system in the US is the shining example of the triumph of capitalism – the consolidation and further enrichment of capitalist control and the subordination of labor in each of its phase – from low to high tech business. In this ultimate triumph of capitalism, the old class struggle slogans were revised – becoming – *Long live the bosses! Early death to the workers!*

Private health care and the drive for higher profits provided enormous benefits for the pharmaceutical industry, making billionaires out of the owners and CEOs. This spawned the ‘ultra-philanthropic’ billionaire Sackler family whose Purdue Pharmaceuticals peddled the deadly *Oxycontin* to tens of millions of Americans. For profit-hospitals, private medical practices and rapacious insurance companies all reaped the bounty of mismanaging a bloated, unaccountable system that has provided the American worker with an early death by overdose or a shortened life of despair and disability.

Private capitalist employers and insurance companies continue to benefit from the epidemic of pre-mature deaths of their former employees: Pension costs and health care liabilities are slashed because of the decreasing life expectancy – Wall Street is jubilant. There will be fewer communities to educate and protect and this will lower taxes. Cheap imported replacement workers (educated or trained on their own societies’ dime) can conveniently be deported or replaced.



It is undeniable: increasing life expectancy and a decent life free of disability has disappeared for the American worker. With poor health and inadequate care, maternal and infant mortality are on the rise especially in rural and de-industrialized areas.

By every health and living standard indicator, the history of successful class struggle led to the implementation of effective national welfare and health programs. Their societies have reaped benefits for their citizens that were clearly superior to corrupt boss-worker class collaboration under private capitalism in the US.

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