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Keep Tyranny Out of Your Pay Envelope

By HENRY GEORGE III

IT IS MY belief that to establish a compulsory health insurance is to establish the first step in a socialized state. I believe that what is found expedient in medicine will become desirable in other professions and activities, such as law, engineering, architecture, and all other forms of private endeavor.

I hope a way can be found for escaping this compulsory insurance, but the people who are pressed by taxation will want to get something in return for what the government takes from them. For proof of this a brief glance at history will suffice. The Romans would not give up their bread dole or the circus, and the American people too, when they have once been chained to paternalism, will cry with all their might and main for their physical needs to be cared for by the state. After that some displaced American may write another history—the decline and fall of the United States.

Men or Slaves?

Man is a social creature, his body proves it and so does his species. The division of sex establishes the validity for the division of labor in the rearing of young, while the co-operation and division of labor among men determines the status of society. Singly man is a savage and a brute and his existence is reduced to a quest for food with which to keep the body fire burning. But through co-operation with others of his kind, a division of labor enables each to more and better benefits from nature than they could have by their single efforts. This co-operation is the alchemy that transmutes the beast into the man—the mud hut into the marble house.

This living together in co-operation we call society—that is, the condition wherein each man's play of talent and energy has the widest scope without injury to his fellows. The freer the society, the greater the well-being of all.

The acceptance to do as we are done by is our code of justice by which government, the mechanism of society, maintains equilibrium. Madison said, "Justice is the end of government, it is the end of Civil Society."

But when government limits man's freedom of association with his fellows, curtails his trade of what he has but does not want, for

what he wants but does not have; or deprives him of the free use of his talent—then government is breaking the natural law of society and will destroy itself. Instead of a servant and instrument for the advancement of humanity it becomes a master that will reduce mankind to slavery.

as much as from that of personal loss or gain. Let us examine the aim of compulsory health insurance and after that the mechanism.

Billions for Red Tape

Compulsory health insurance as advocated by the Office of the Federal Security Administrator, would supplant voluntary health insurance by levying a payroll tax of from 3 per cent divided between employer and employee. Notice this is from 3 per cent to an undetermined amount, and that amount will depend upon the cost of operation which may rise rapidly to many times that figure.

This plan is advocated by those who claim that low standards of public health and medical care in America make government control imperative. It is supported by the Federal Security Administration, the President, all who seriously believe in a socialistic state, left-wing organization, the Committee for the Nation's Health, and the Physicians' Forum. Add to these the labor leaders, labor organizations, and the Communist party, all vocally militant in its favor.

The compulsory health insurance would require an over-all sum of from 6 to 15 billion dollars for its operation, and if the United States does as well as Germany was doing on her state health insurance it will withdraw from productive private employment one out of each hundred persons, or roughly about 1,500,000. This figure does not include the physicians, dentists, druggists, pharmaceutical manufacturers, nurses, technicians, orthopedic manufacturers and the host of other businesses that would be involved. It means that 1,500,000 men and women would be taken from private employment, and re-employed as lay clerks, inspectors, detectives, accountants, prosecutors, tabulators, and tax collectors. They would check records, allocate funds, conduct hearings, determine fees, prosecute and give testimony, compose boards, and generally fill out the bureaucratic

roster of a police state.

But more important than the number of workers shifted to the government payroll is the fact that the contract relationship between men will be destroyed. The cessation of contracts will naturally terminate recognition of the

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EVERY day I am more and more impressed with the idea that the biggest work one can do in life is to use every power at one's command in advancing the human race.

The aspiration to be of service in this way is a spark that alights in your soul and pushes you forward to a life of broad, useful work.

The one imbued with this spirit sees ahead what should be done, and labors to advance this great objective entirely regardless of impediments encountered. He receives enjoyment out of every moment of his life. He takes human nature as he finds it, and appreciates at all times that his work is necessary because human nature is as it is.

Personally, I feel that I was most fortunate in having this spirit become the dominating power in my life in the days of my boyhood, and I feel that my efforts have not been in vain.



FREDERICK H. MONROE,
in a letter to his son, John Lawrence Monroe,
from the Euclid Hotel, Cleveland, Ohio,
November 11, 1927.
Founder Henry George Lecture Association, October 19, 1903,
and its President until his death in 1929.
Born April 7, 1863, Arcola, Illinois.
Died August 26, 1929, Palos Park, Illinois.

CHRISTMAS, 1929

Thus, when we consider any broad social reform, it is incumbent upon us to preserve our freedom of action and our right to the fruit of our labor. So at this critical moment when compulsory health insurance is receiving consideration, we must be careful to study it from the broad philosophical viewpoint quite

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equal rights of contracting parties upon which all contracts and co-operation are based. Thus is lost the recognition of self-rights and the awareness of others' rights, and with this loss of right-in-contract goes the loss of that sense of justice which prompts resistance to the infringement of rights in general. Aggressions are notoriously frequent through bureaucratic control. Once individual resistance is broken it becomes an act of disloyalty to protest or fight back and disloyalty to a bureau that cannot afford criticism leads to repressive measures.

Perpetual Paternalism

No doubt there are many who will feel that these remarks are too critical, but why not take another backward glance at the Roman Empire? When Caesar stationed his cohorts outside the gates of Rome the Senate at once gave heed to his wishes. His legions became the first Praetorian Guard, and it was his army, a closely knit, self-interested body, and not the Senate that made the Caesars of the next four hundred years. Does anyone imagine that if we build an army of a million and a half job holders their self interest will not impel them to keep the *status quo*?

When man was driven from the Lord's garden this curse was put upon him: "In the sweat of thy face shalt thou eat bread." Genesis 3:19. Ever since then men have been trying to devise ways and means by which they can escape this curse, and most of the schemes thus far propounded have had to do with eating bread that some other man sweated to make. Such is the case of socialism and socialized medicine. The ethics of socialism deny the individual his natural rights to the fruit of his labor, and assert the right of the state to possess the fruit of the labor of all men. But as man continues to fail in his ability to meet the primeval curse, society intervenes and promises to give "to each according to his needs." Thus socialism repudiates the first law of life.

If you have followed my reasoning you will see that compulsory health insurance is identical with socialized medicine because:

- 1) The government collects the tax.
- 2) The government controls the money.
- 3) The government determines the services.
- 4) The government sets the rates.
- 5) The government keeps the records.
- 6) The government directs both the citizen's and the doctor's participation in the program.
- 7) The government assumes control not only of the medical profession, but of public and private hospitals, as well as all allied professions and businesses.
- 8) The government dominates the medical affairs of every citizen through administrative lines leading from the central government in Washington down through innumerable state, city, town, district and neighborhood bureaus.

Malingersers Multiply

Don't let anyone tell you that we do not have socialized medicine now for in our Veterans' Administration we have a small but faithful example of what inevitably must come to pass. I say inevitably, because once the wheel is started down the hill extraordinary strength and skill are required to stop it. We have plenty of evidence already to show that when even a small group feels they are getting something

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for nothing, the same law of gravity comes into play and the entire populace wants a share.

The government already provides some medical care for about 24,000,000 persons—service-men, veterans, Indians and others. All who are eligible have climbed on the bandwagon, and the number of those left to pull diminishes as the number of riders increase. According to the Hoover Commission on Organization of the Government, that job has not been done efficiently. The report states that the Federal medical activities are devoid of any central plan. Four large and many small governmental agencies obtain funds and build hospitals with little knowledge of or regard for the others. No one assumes responsibility. For example: San Francisco has 13 Federal hospitals 7 of which might be closed with a reduction of bed capacity of 20 per cent and still leave the remaining 6 hospitals with only 54 per cent of constructed capacity occupied after bringing in all the transferred cases.

The New Monopoly

Why not check the record of the government hospitals in your vicinity? You will probably find it indicative of one of two things: either there has been political wastage in securing equipment, more to ingratiate the local feeling than because of the need; or else it has prepared for some enormous unforeseeable need envisioned in someone's crystal ball. This might mean that the government has well laid plans to monopolize our public health.

As with hospital facilities so with individual cases. When a man or woman depends on a bureau for the satisfaction of his medical wants, he loses the contact with his physician implied by our cherished law of contracts.

Lest I be accused of heartlessness let it be said that at present there are about 55 million people in this country who have provided for their medical needs through voluntary health insurance, and this figure is steadily growing. This type of insurance does comply with the law of contracts between the parties, and it costs, for complete coverage per person, only a few cents a day. Medical expenses for an average American family amount to about 4 per cent of income—according to the Brookings Institution—while tax bills take from 20 to 30 per cent of the family income. Add what compulsory health insurance would come to (3 to 10 per cent) and you will see that the advocates of compulsory health insurance are asking the American people to assume a staggering load. For let it be remembered that while the Federal Security Administration hopes to make out with only a 3 per cent tax, deficits must be met promptly or the public service will be reduced. Thus the wheel gathers force as it speeds on to disaster.

Let's Work for Justice

On the subject of public health much more might be said, but the last remarks of former Major General W. C. Gorgas, Surgeon General of the United States Army are as vital today as when he uttered them before the Clinical Society of Surgeons on November 26, 1915:

"I recently heard one of the members of the Cabinet state that in the United States 55 per cent of our arable land, for one reason or another, is being held out of use. Now, suppose in the United States we could put into effect some measure that would force this 55 per cent of our arable land into use. The effect at once

would be to double the number of jobs. If the jobs were doubled in number, wages would be doubly increased. The only way I can think of forcing this unused land into use is a tax on land values.

"I therefore urge for your consideration, as the most important sanitary measure that can be at present devised, a tax on land values."

I agree with Dr. Frank Crane who said: "The only untainted charity is justice." Conventional charity drops pennies in the beggar's cup, distributes clothing to the naked and food to the starving. Real charity, which is justice, sets about removing the conditions responsible for the beggary, starvation and nakedness."

Dr. Henry George III of Wilmington, Delaware is the grandson of Henry George and son of Henry George, Jr. His godfather was Tom L. Johnson of Cleveland. Articles by Dr. George have appeared in *Progress Guide*, *Mind Digest*, *Coronet*, and a number of professional journals. Among many public service activities in his community he has conducted classes in the Henry George philosophy for nurses in St. Francis Hospital under auspices of The American Red Cross. He was educated in the University of Arizona and later studied in Switzerland. This was Dr. George's first article in The Henry George News. Another has been promised for a future issue.