



Why Obama Needed Single Payer on the Table

Obama's Mistakes in Health Care Reform

By VICENTE NAVARRO

Let me start by saying that I have never been a fan of Barack Obama. Early on, I warned many on the left that his slogan, "Yes, we can," could not be read as a commitment to the major change this country needs (see ["Yes, We Can. Can We? The Next Failure of Health Reform"](#)). Still, I actively supported him against John McCain and was very pleased when he became president – for many reasons, encompassing a broad range of feelings. One reason was that Obama is African-American, and the country needed to have a black president. Another was that his election seemed to signal the end of the Bush era. But, the most important reason was that I saw him as a decent man, surrounded by some good people who could promote change from the center and open up some possibilities for progress, giving the left a chance to influence the administration's policies. Well, after just over seven months of the Obama White House, I have no reason to doubt that he is a decent man, but I am dismayed by the bad judgment he has shown in the choice of some of his staff and advisors. I really doubt that he is going to be able to make the changes we need. As I said, I never had great expectations about him and his policies, but even the lowest of my expectations have not been met.

Some among the many skeptics on the left might add, "What did you expect?" Well, at least I expected Obama to show the same degree of astuteness that he and his team had shown during the campaign. He seemed to be a brilliant strategist, and his election proves this. But my greatest disappointment is the strategies he is now following in his proposals for health care reform – they could not be worse. I am really concerned that the fiasco of this reform may make Obama a one-term president.

Error number One

One of the two major objectives for health care reform, as emphasized by Obama, is the need to reduce medical care costs. The notion that "the economy cannot afford a medical care system so costly, with the annual increases of medical care running wild" has been repeated over and over – only the tone varies, depending on the audience. An element of this argument is Obama's emphasis on eliminating the federal deficit. He stresses that most of the government deficit is due to the outrageous growth in costs in federal health programs. Thus, a crucial part of the message he is transmitting is the health care reform objective of reducing costs.

This message, as it reaches the average citizen, seems like a threat to achieve cost reductions by cutting existing benefits. This perception is particularly accentuated

among elderly people – which is not unreasonable, given that the president indicates that the funds needed to provide health benefits coverage to the 48 million currently uncovered will come partially from existing programs, such as Medicare, with savings supposedly achieved by increasing efficiency. To the average citizen (who has developed an enormous skepticism about the political process), this call for savings by increasing efficiency sounds like a code for cutting benefits. Not surprisingly, then, one sector of the population most skeptical about health care reform is seniors – the beneficiaries of Medicare. The comment that “government should keep its hands off my Medicare,” as heard at some of the town hall meetings, is not as paradoxical or ridiculous as the liberal media paint it. It makes a lot of sense. An increasing number of elderly people feel that the uninsured are going to be insured at the expense of seniors’ benefits.

Error Number Two

The second major objective of health care reform as presented by Obama is to provide health benefits coverage for the uncovered: the 48 million people who don’t have any form of health benefits coverage. This is an important and urgently needed intervention. The U.S. cannot claim to be a civilized nation and a defender of human rights around the world unless this major human and moral problem at home is resolved once and for all. But, however important, this is not the largest problem we have in the health care sector. The most widespread problem is not being uninsured but underinsured: the majority of people in the U.S. – 168 million, to be precise – are underinsured. And many (32 per cent) are not even aware of this until they need their health insurance coverage. This undercoverage is an enormous human, social, and economic problem. Among people who are terminally ill, 42 per cent worry about how they or their family will pay for medical care. And most of these people are insured – but their insurance does not cover all of their conditions and necessary interventions. Co-payments, deductibles, and other extra expenses – besides the insurance premiums – can amount to 10 per cent or even higher proportion of disposable income.

During the presidential campaign, both Obama and Hillary Clinton, in discussing the need for health care reform, made frequent reference to heart-breaking stories – cases in which families and individuals suffer under our current system of medical care. But none of the proposals that the Obama administration is ready to support would address most of these cases. It will be an embarrassing and uncomfortable moment during the 2012 presidential campaign if someone asks candidate Obama about what has happened to some of the people whose stories he told in the 2008 campaign.

Error Number Three

Obama plans to cover the uninsured by increasing taxes on the rich (a very popular measure, as shown in all polls) and by transferring funds saved through increased efficiencies in existing programs, including Medicare (an unpopular measure, for the reasons I’ve mentioned). We see here the same problems we’ve seen with other programs targeted to specific, small sectors of the population, such as the poor. Programs that are not universal (i.e., do not benefit everyone) are intrinsically unpopular. This is why antipoverty programs are unpopular. People feel that they are paying, through taxation, for programs that do not benefit them. Compassion is not, and never has been, a successful motivation for public policy. Solidarity is. You support others with the understanding that they will support you when you need it most. The long history of social policy, in the U.S. and elsewhere, shows that universality is a better way to get popular support for a program than means-testing for programs targeted to specific vulnerable groups. The limited popularity

of the welfare state in the U.S. is precisely due to the fact that most programs are not universal but means-tested. The history of social policy shows that the best way to resolve poverty is not by developing antipoverty programs, but by developing universal programs to which all people are entitled – for example, job and incomes programs. In the same way, the problem of noncoverage by health insurance will not be resolved without resolving the problem of undercoverage, because both result from the same failing: the absence of government power to ensure universal rights. There is no health care system in the world (including the fashionable Swiss model) that provides universal health benefits coverage without the government intervening, using its muscle to control prices and practices. The various proposals being put forward by the Obama administration are simply tinkering with, not resolving, the problem. You can call this government role “single-payer” or whatever, but our experience in the U.S. has already shown (what other countries have known and practiced for decades) that without government intervention, all the measures now being proposed by this administration will be handsome bailouts for the medical-insurance-pharmaceutical complex.

Error Number Four

I can understand that Obama does not want to advocate single-payer. But he has made a huge tactical mistake in excluding it as an option for study and consideration. He needs single-payer to be among the options under discussion. And he needs single-payer to make his own proposal “respectable.” (Keep in mind how Martin Luther King became the civil rights figure promoted by the establishment because, in the background, there was a Malcolm X threatening the establishment.) This was a major mistake made by Bill Clinton in 1993. When Clinton gave up on single-payer, his own proposal became the “left” proposal (unbelievable as that may seem) and was dead on arrival in Congress. The historical function of the left in this country has been to make the center “respectable.” If there is no left alternative, the Obama proposals will become the “left” proposal, and this will severely limit whatever reform he will finally be able to get.

But there’s another reason that Obama has erred in excluding single-payer. He has antagonized the left of his own party that supports single-payer, without which he cannot be reelected in 2012. He cannot win only with the left, of course, but he certainly cannot win without the mobilization of the left. His victory in 2008 is evidence of this. And today, the left is angry at him. It is a surprise to me, but Obama is going to pay the same price Clinton paid in 1994. Clinton antagonized the left by putting deficit reduction (under pressure from Wall Street) at the top of his policies and supporting NAFTA against the wishes of the AFL-CIO and the majority of Democrats. The Gingrich Republican Revolution of 1994 was due to a demobilization of the left. The Republicans got the same (I repeat the same) number of votes in the 1994 congressional election that they got in 1990 (the previous non-presidential election year). Large sectors of the grassroots of the Democratic Party that voted Democratic in 1990 stayed home in 1994. Something similar could happen in 2010 and in 2012. We could see a strong mobilization of the right and a very demoralized left. We are already seeing this. Why aren’t those on the left out in force at the town hall meetings on health care reform? Because the option they want – single-payer – has already been excluded from the debate by a president they fought to get elected.

This is my concern. The alternative to Obama is Sarah Palin or someone like her. Palin has a lot of support among the people who mobilized to support John McCain. And the ridicule heaped on her by the liberal media (which is despised by large sectors of the working class of this country) helps her, or her like, enormously. I am afraid we may have, in the near future, friendly fascism. And I do not use the

term lightly. I grew up under fascism, in Franco's Spain, and if nothing else, I recognize fascism when I see it. And we are seeing a growing fascism with a working-class base in the U.S. This is why we cannot afford to see Obama fail. But his staff and advisors are doing a remarkable job to achieve this. Ideologues such as chief-of-staff Rahm Emanuel (who, when a congressman, was the most highly funded by Wall Street) and his brother, Ezekiel Emanuel (who did indeed write that old people should have a lower priority for health care spending) are leading the country along a wrong path.

I don't doubt that President Obama, a decent man, wants to provide universal health care to all citizens of this country. But his judgment in developing his strategy to reach that goal is profoundly flawed, and, as mentioned above, it may cost him the presidency – an outcome that would be extremely negative for the country. He should have called for a major mobilization against the medical-industrial complex, to ensure that everyone has the same benefits that their representatives in Congress have, broadening and improving Medicare for all. The emphasis of his strategy should have been on improving health benefits coverage for everyone, including those who are currently uncovered. And to achieve this goal – which the majority of the population supports – he should have stressed the need for government to ensure that this extension of benefits to everyone will occur.

That he has not chosen this strategy touches on the essence of U.S. democracy. The enormous power of the insurance and pharmaceutical industries corrupts the nature of our democracy and shapes the frontiers of what is possible in the U.S. Given this reality, it seems to me that the role of the left is to initiate a program of social political agitation and rebellion (I applaud the health professionals who disrupted the meetings of the Senate Finance Committee), following the tactics of the Civil Rights and anti-Vietnam War movements of the 1960s and 1970s. It is wrong to expect and hope that the Obama administration will change. Without pressure and agitation, not much will be done.

Vicente Navarro, M.D., Ph.D., professor of Health Policy at The Johns Hopkins University and editor-in-chief of the International Journal of Health Services. The opinions expressed here are those of the author and do not necessarily reflect the views of the institutions with which he is affiliated. Dr Navarro can be reached at vnavarro@jhsph.edu