From the Archives

Socialized Medicine

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In 1884, Prince Otto von Bismarck, Chancellor of Germany, instituted the first modern program of socialized medicine. It was called compulsory national health insurance.

Bismarck hated communism. His motive in introducing socialized medicine in Germany was to buy the loyalty of the German masses as a means of keeping them from becoming communists. Bismarck adopted “nationalistic socialism to end international socialism”—to use his own words. To use other words, Bismarck was the first leader of a great nation to fight communism by adopting communism.

The German citizens paid more for their national compulsory health insurance than they had paid for private insurance before Bismarck came along—and they got less in return.

Bismarck’s scheme failed miserably to provide better medical care for the people of Germany; but it did become an important feature of the German militaristic state; it helped pave the way for Hitler a generation later; and it furnished a pattern with which practically every other nation in the West—including America—has experimented.

British Experience

England first started experimenting with socialized medicine in 1911. The experiments were a failure, as they always have been everywhere.

But government never retrenches. When government seizes power and money from the people in order to promote their welfare and then makes matters worse for them, government always argues that it didn’t have enough power and money to do enough promoting.

In England, for example, when Lloyd George’s rather moderate experiment in the Bismarkian type of national health insurance was abandoned, the nation went all the way into communized medicine.

The National Health Program which became the law of England in July 1948 is modeled on the Soviet system created by Lenin.

In less than two years, there were more than half a million people on the waiting lists for hospitalization, while some forty thousand hospital beds were out of service because of a nurse shortage. The hospital shortage in Britain has become so acute that many mentally deficient and helpless, aged people are unable to secure institutional care. The only effective means of easing the shortage is to deny hospital admission to the old and chronically ill who cannot be discharged once they are admitted.

In industrial centers, some British doctors have as many as 4,000 registered patients each. Such doctors can give each patient only three minutes per call—three minutes overall, for consultation, diagnosis, prescription, filling out official forms, and maintaining proper records for governmental inspectors.

Twelve per cent of all British taxes go into the national health program. Thus the wretchedly inadequate “free” medical services in Britain actually cost the average Englishman considerably more than an American pays for the most expensive private health insurance and hospitalization. [NOTE: this was written before Medicare was enacted in 1965 -- Ed.]

Over and above what the British themselves have put into socialized medicine, one must consider also the billions of dollars which America has pumped into the British economy as loans and outright gifts. And still the thing is a failure. Why?

Whenever government enters a field of private activity, that field becomes a political battleground. Whenever you mix politics with medicine, doctoring becomes a political instead of a medical activity.

“Something for Nothing”

But the primary reasons for the inevitable failure of socialized medicine can be found in the patients themselves. When people are forced to pay for something, whether they want it or not, they are inclined to use as much of it as they can in order to get their money’s worth.

There are endless stories about Englishmen who trade their government-issued eyeglasses, wigs, and even false teeth, for beer. There are housewives who trade government-issued medicine for perfume and cigarettes. And there are some who pick up extra money by selling the gold fillings out of their teeth—getting them replaced by government dentists and then selling them again.

Malingers are people who pretend to be sick in order to get sick pay, social security benefits, free hospitalization, or a rest at government expense. Hypochondriacs are people who think they are sick, but aren’t. There are countless thousands of such people. No system has ever been devised for definitely identifying them, for weeding out the unnecessary or unreasonable or dishonest demands made upon the medical care services—no system, that is, except the one existing in a free society where a person must pay his own doctor bill or is controlled by provisions of an insurance policy which he himself has bought.

No compulsory health insurance program has found a means to discourage racketeers or petty complainers who make useless trips to the doctor and monopolize professional time that should be spent on people really needing care.

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