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Free-Market Health Care and the Poor

By Jacob Hornberger

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One of the disastrous consequences of having adopted the welfare-state way of life is what it has done to the concept of voluntary charity. Let's look at Medicare and Medicaid, socialist programs that go to the heart of the economic problems facing our nation.

I grew up in Laredo, Texas, in the 1950s, when the U.S. Census Bureau labeled our city as the poorest in the United States on a per-capita income basis. Every day, the office of every doctor in town would be filled with patients, most of whom were extremely poor. While some of them may have been Mexican citizens from Nuevo Laredo, as a practical matter it didn't really matter because the doctor knew that most of the people in his office couldn't pay anyway, at least not right away.

Yet, I never knew of one single doctor who turned people away. They treated everyone who came into their office. I never heard of a doctor complaining about having to provide free services for the poor.

How did doctors in Laredo do financially? They were among the wealthiest people in town. The money they made from the middle class and the wealthy and the poor who could subsidize the patients who couldn't pay.

There was never a sense of entitlement among the poor who couldn't pay the doctor. They were always extremely grateful and would express that gratitude with gifts of tamales or other things in kind that they could give the doctor.

It was a nice interrelationship. Doctors felt good about what they were doing, and patients were appreciative.

That's what life is supposed to be all about.

Enter Medicare and Medicaid, socialist programs that were enacted as part of Lyndon Johnson's Great Society programs in the 1960s. Those two programs totally changed the dynamics of health care in America. All of sudden, helping the poor and elderly was no longer voluntary. Now it was

mandated. The federal government got involved in the health-care process, interfering with what had been natural, harmonious relationships.

Over time, doctors became dependent on the government to pay their bills. They also learned that what government subsidizes, government controls and regulates. Compliance with government health-care regulations became a major industry. Doctors who failed to comply with the ever-growing regulations faced the prospect of criminal prosecution. Ultimately, many physicians began retiring early, disgusted with a profession that they their predecessors had absolutely loved. Government involvement in health care destroyed their love of medicine.

Patients ended up with a sense of entitlement to "free" health care. They didn't feel any sense of gratitude toward doctors. It was their "right" to receive free health care. If thanks were owed to anyone, it was to the government, which was responsible for this "free" service.

When libertarians point out to people that the only real moral and practical solution to America's health-care woes lies in the repeal, not reform, of all government involvement in health care, some people ask, "But what about the poor? How would they get health care in a free-market environment?"

The fact that they even ask the question shows what America's welfare state has done to people's faith in themselves, in others, and in a free society.

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