The For-Profit Sickness-Treatment Industry

The FPSTI is categorically antithetical to democratic ideals and to every principle of humanism.It is something of which we—not merely as Americans, but as human beings—should be utterly ashamed.

This is an overly bureaucratic, morally dubious system of egregious inefficiency, massive information asymmetries, rampant conflicts of interest, exorbitantly bloating pricing, and chronically-questionable motives.The sumum bonum is not to help the general populace, but to maximize profit—getting as much money as possible from those able and willing to pay.It is profiting off of the perception of ailment.

In this scheme, public health is not a public good, but a consumer product.The provision of service is not done as a public service, but as a business enterprise.The result is a deplorable state of affairs—wherein a large segment of the population is marginalized.Working families are left disenfranchised by pure accident of circumstance in an “every man for himself” scenario.Meanwhile, many people are bilked by obscene pricing schemes enabled by a system rigged to channel funds from the general public into the coffers of companies.This is the result of huge power asymmetries (including barriers to entry, oligopolistic conditions, and imperfect competition) as well as glaring information asymmetries.

Tragically, FPSTI lobbies like AHIP and PhRMA have tremendous influence over corporatist politicians (e.g. Max Baucus, Ben Nelson).These two juggernauts were responsible for strong-arming the Obama administration and right-wing democrats within congress into jettisoning the “public option”—thus ensuring that any/all public money that would be used to help the rank and file have access to healthcare would be channeled into the FPSTI (i.e. it would be done through private insurance business).This essentially amounted to MANDATED corporate socialism: not only forcing people to buy products from the health insurance industry, but sometimes doing so with public funds.Even with marginal “reform”, the right wing was victorious.Big Pharma won, and corporate socialism prevailed.AHIP, not Progressive reform, dictated the outcome.

Even more reprehensible is that there is a revolving door between political positions in government and executive positions in the FPSTI…entailing humungous conflicts of interests (a.k.a. legalized corruption).In other words, the FPSTI had proxies WITHIN GOVERNMENT.Moreover, AHIP and PhRMA have hundreds of millions of dollars to spend on right-wing propaganda in order to drum up opposition (amongst the country's most credulous and ill-informed) against genuine healthcare reform.

Incumbent power USES its power to MAINTAIN that power.Corporate lobbies have tremendous leverage, and regularly strong-arm ALL THREE branches of government to do things in their favor.Politics is about deal-making and favors-swapping.Even more fundamentally: politics is about MONEY.This translates to Progressive forces ceding ground to corporate power.Otherwise progressive politicians are coerced by corporate interests…and thus regularly capitulate to the right wing…all because of MONEY.

In the end corporate power has more sway over the proceedings of Capitol Hill than do the rank and file.The strategy is quite simple: use money to convince the most ill-informed, credulous segments of the general populace to go along with the corporate agenda.Do this by funding right-wing propaganda, which will instill the desired distortions, dogma, strategically-engineered urban legends and time-tested Neoliberal myths into the malleable minds of the rabble.Prey on their lack of knowledge, their resentments, their misconceptions, their frustrations…and parlay all of it into mass mania / mass hysteria (two sides of the same coin).Group-think is powerful.Exploiting ignorance and fear, as we've seen with the Tea Party rallies, can be staggeringly, horrifically effective.

Corporate power convinces the rabble to vociferously, passionately, eagerly, enthusiastically embrace the forces that screw them over in the end.The trick: Get 'em all worked up.Persuade them to rally around the conditions of their own demise by putting egregious misimpressions in their head…using standard Neoliberal rhetoric.

Convince the credulous and uneducated, the easily-riled-up, that PSI means the Third Reich, Maoism, Stalinism, the end of democratic society, the demise of personal liberty.Equate Progressivism with tyranny.Make them think that universal public healthcare is the antithesis of FREEDOM… and that the FPSTI is the quintessence of a free society.

In 2008, the ruse worked.Edward Kennedy's dream had been successfully thwarted.Corporate power won, and the general populace lost.The sad thing is: A large segment of the general populace had been duped into thinking that "The People" had been victorious.

THE FPSTI: SOME IMPORTANT QUESTIONS

The World Health Organization currently ranks the U.S. 37th in the world for healthcare…even as U.S. civilians pay—BY FAR—the most per capita for their "healthcare" system.Such a fact is astonishing, if not embarrassing.Such a condition is an unholy marriage of colossal inefficiency with egregious inefficacy. What is the explanation for this abysmal—nay, scandalous—state of affairs?

The entrenched vested interests of corporate power accounts for the maintenance of this horrendous system.

We can ask the OMB, the CBO and the HHS department (and look to every university study that's been published) in order to assess this unhappy situation.But we don't require the specific numbers and statistics in order to diagnose the underlying problem—a problem that is SYSTEMIC in nature, not merely circumstantial.

The United States has the most inefficient healthcare system in the world, in part, because it's not a healthcare system at all—but rather a SICKNESS TREATMENT industry—an industry that is comprised of private, for-profit ventures that handle / view treatment as a service to hawk, peddle and sell on the free market.Due to the nature of the FPSTI, Americans spend far, far more per capita than any other advanced nation, with worse results than any other advanced nation.

Americans spend $2.5 trillion each year in order to be not very healthy, while leaving millions out in the cold.This number is actually too small, as it doesn't include much of the money spent in the "open market", nor does it include the full budgets for Medicaid and Medicare.Prevention isn't emphasized simply because there's more money to be made from "treatments"—both necessary and un-necessary.There's money to be made off of sickness—both real and merely perceived.There's money to be made off of exorbitantly-priced drugs.There's money to be made by ridiculously-inflated "service" pricing.And, as usual, there's tons of money to be made off of ignorance.

Saying that the U.S. offers some of the best healthcare in the world is like saying that Manhattan offers some of the best penthouses in the world.Technically, it's true, but very misleading.Not everyone has access to the most amazing apartments in the city; most people have to live in rudimentary, sub-par accommodations.Thus, the clause, "…if you can afford it…which most people can't" should always be appended to the lofty statement, oft-repeated by the right wing.

The FPSTI is primarily comprised of three kinds of institutions:

1. HMOs and other insurers
2. For-profit hospitals and "clinics"
3. Pharmaceutical companies

For each of these, mountains of public funds are funneled into huge corporate profit margins, gargantuan advertising budgets, and obnoxiously bloated compensation packages for executives and sales forces.In other words, each year, hundreds of billions of dollars are pointlessly squandered—so that a well-positioned few can accrue massive fortunes.

What's wrong with this picture?Indeed, it seems bewildering, dumfounding, perverse, ridiculous.Should we be baffled by the fact that there isn't more populist protest?Shouldn't there be more outrage that such an egregious charade is allowed to persist and persist and persist?

We're told about economic freedom for corporations, but what about (positive) human rights?However, is the former to be championed at the expense of the latter? We're notified that free enterprise ultimately benefits everyone.But shall we sacrifice civil rights on the alter of the so-called "free market"?Isn't democracy about protecting the little guy?

We can clarify things by asking basic questions.Shouldn't the well-being of humans trump the well-being of institutions? Shouldn't the freedom of people take precedence over the freedom of corporations?In what contexts shall people be seen as (treated as) customers and in what contexts shall they be seen as (treated as) citizens?What are consumer products and what are public goods?What are all civilians categorically entitled to?What are the boundary conditions of the public domain vis a vis the private sector?Where is socialized infrastructure appropriate? Where is the free market appropriate?

We could think of it like this: The principles of the free market (idealized by the concept, laissez fair capitalism) are analogous to Newton’s laws of mechanics.That is, they apply within certain boundary conditions, yet break down beyond the delimited domain within which their application is appropriate.(We could say the same thing of socialized infrastructure.)The ideal is legitimate as far as it goes; but it only goes so far.Adam Smith recognized this with respect to the marketplace (private enterprise), Kant recognized this with respect to Reason, Wittgenstein recognized this with respect to language, Godel recognized this with respect to logical systems, complexity theorists now recognize this with respect to linear modeling, and we can say the same thing with respect to the use of the internet for human interaction.