Pragmatic Liabilities

by Henry Oliner

The reason ideology is relevant in the health care debate is that at the core of the difficulty is the separation of pragmatic solutions from sound ideological support.

Our health care problem is an accumulation of short sighted policies considered in isolation from health care policy. Like adding bricks on a pickup truck we can keep adding beyond the load capacity, until we load just one brick too many, and then the suspension collapses and the truck cannot move. We will blame the last few bricks, the straw that broke the camel's back, because they are the most visible; we have long forgot the ones on the bottom, but they are also to blame. "Every snowflake pleads innocent, but it is still an avalanche."

When we seek government solutions were are subject to another adverse reality. Political actors tend to promise benefits in exchange for votes, without paying for them. In theory benefits are debated and funded from the Treasury, but with dramatically increased regulatory influence the government has exploited other options.

Our government has constructed a Rube Goldberg system of regulations, mandates, perverse incentives, cross subsidies, and wishful thinking to hide the costs from everyone, including themselves. Each component is crafted in isolation with no vision of the final product, another victim of pragmatism. Yet the failures are blamed on the market mechanism. The problem is not that health care does not adequately respond to market conditions, as single payer supporters contend, but that it does.

These twin liabilities of political pragmatism are mere hosts to the thinking that has plagued our health care markets.