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## INTRODUCTION

John Dunlop worked in the Bethlehem Steel mills in East Baltimore for over twenty years. Three years ago he was laid off, one of the 2,312 workers laid off from the mills in the last ten years. He not only lost his job; he also lost health insurance for himself and his family. He could no longer receive the care he needed for a heart condition because he could not afford the insurance. He died in May 1993 from a stroke. He was one of the 100,000 people who die in the United States each year because they cannot afford medical care.

Mary McCormick was an administrator at Maryland National Bank. Until about a year ago she thought her health insurance covered all the necessary medical and hospital care for herself and her family. She found out she was wrong. On January 27, 1992, she had a stroke that left her so seriously handicapped that she needed long-term care. But her health insurance did not include this benefit. She had to sell almost everything she owned to make
herself eligible for government assistance. And in order to protect her husband's assets— their home and car—she had to divorce him. In March 1993 Mary killed herself. She was one of the 202 million people in the United States whose health benefits do not include long-term care. Many of these people assume they have such comprehensive coverage, only to find that this is not the case.

Anne Lorraine is one of the 120 people who wash the floors and make the beds at the Johns Hopkins Hospital and another hospital in Baltimore. She is an African-American who came to Baltimore from Charlottesville, South Carolina, twenty years ago, when she was ten years old. She lives with her mother and three children. But although she has two jobs, neither employer pays health benefits for her or her family and she cannot afford to pay the premiums herself. Thirty-two percent of all health care workers in the United States do not have health insurance. They are part of the 38 million Americans who face the same plight.

John Dunlop, Mary McCormick, and Anne Lorraine are representative of the millions of victims of the U.S. health care system. In no other developed country do people face such a cruel situation. Meanwhile, the powerful establishment and its hired pens proclaim that we have the "best system of medical care in the world." Health care is the largest industry in the United States. The components of the "medical-industrial complex"—the insurance companies, drug companies, hospital equipment companies, and the medical professions, among others—are among the most profitable companies in the country. The head of Mary McCormick's insurance company makes $2.5 million a year, and the director of one of the hospitals where Anne Lorraine works makes $800,000 a year. A lot of money is made in the house of medicine. In no other sector of our society is the wealth of the few so clearly based on the suffering of the many.

Why do we face such a situation? This book attempts to answer this enormously important question. The problems in the funding and delivery of health services are much in the news these days. Day after day the press covers the human drama caused by the failures of our health care system. Those in government and in the medical establishment are aware that people are angry and want change. We have seen the publication of hundreds of articles and books that try to show why medical care is so expensive and/or why so many people have problems getting insurance. Many of these are full of helpful information. But most focus on how different interest groups in medicine—the American Medical Association, the hospital industry, and others—operate. They do not address the root of the problem, which lies in the nature of our economic and social system.

In other words, we cannot understand the problems of our health care system by looking only at the actors and agents of its delivery. We need to understand that, contrary to official rhetoric, the moving force in health care delivery is not responding to people's needs but satisfying the greed of those who control the key institutions of our society, including health care. The economic and political order—capitalism—governs the financing and delivery of our health services. Indeed, it is business "entrepreneurship" that is the moving force behind our medical institutions. Here lies the root of the human tragedy behind the death and suffering of John Dunlop and Mary McCormick, and the precarious situation faced by Anne Lorraine and her family—and millions like them.

Why does this oppressive system continue? In a capitalist system, people are divided not only by race, gender, national origin, and religion but also by class. This point needs to be stressed because the United States is often portrayed as having no classes because the majority is middle class. Terms such as capitalist class, working class, and class struggle are dismissed as foreign. Vincent Canby, the senior film critic for the New York Times, recently concluded that a British film that details the lives of working-class men and women was irrelevant for U.S. audiences because "the United States does not have a working class."

This view of the United States as a middle-class society is
of corporate class dominance, but of popular pressures for change. It is this conflict between and among classes that explains the changes that occur both in the society and its medicine. The working class and its instruments (trade unions and political parties) in the advanced capitalist countries have been the primary force behind the establishment of universal and comprehensive health benefits, which are in turn a key element of the welfare state. Chapter 4 shows how the type of financing and delivery of health services in the developed capitalist countries is the result of the combination of class forces in each society. It also shows how the absence of a national health program in the United States is related to the weakness of the working class and the absence of a political instrument that represents its interests.

An important and urgent political task is to change the knowledge, practice, and institutions of medicine to make them responsive to people's needs. This will not occur, however, without an active mobilization for change in U.S. society—a society in which the few rather than the many now control the major institutions, including the institutions of medicine. This will require breaking with the classism, racism, and sexism that dominate these institutions, which are discussed in Chapter 5.

These chapters are based on a series of lectures I gave to a student-sponsored forum on "Health, Medicine, and Society" at The Johns Hopkins University. They are written in nonacademic language to help people understand not so much what is wrong with the U.S. health care system—the majority of Americans already know this because they suffer from it—but why it is wrong. A whole academic and media industry exists to obfuscate rather than clarify this critical question. It is my hope that this book will help people to understand the root of their predicament and that from there they will go on to organize to change it.

I owe a note of recognition to the many people whom I have come to know during the years that I have been working on this topic. First and foremost to Mary McCormick, Anne Lorraine, and John Dunlop, and to the thousands of people like them that

The history of a society and its health care is the result not only

profoundly ideological. But it confuses rather than clarifies our reality. As I will show in this book, not only does the United States have classes, but class is the most important category for explaining what happens in U.S. society and its health care system. Needless to say, other power categories, such as race and gender, have enormous importance as well. But in the current literature, including the progressive literature, class has been relegated to a secondary level. This book aims at restoring the key importance of class in explaining U.S. society and its medicine.

The book therefore begins with an examination of the patterns of class control of health care. It shows how the capitalist class (and its different components) has an enormous influence on the way in which health care is financed and delivered. The insurance companies and the large corporate employers are the major forces that shape this financing. Their economic and political influence is enormous, limiting considerably the government's ability to respond to popular demands. The lack of universal coverage, insufficient coverage, the relationship between coverage and employment, and many of the other problems of our health care system are rooted in the power of the corporate class.

Chapter 2 shows how the deterioration in health care, including the increase in the number of Americans who either have insufficient insurance or none at all, was the result of the class aggression carried out by the Reagan and Bush administrations, with the support of the Democratic-controlled Congress, over the past thirteen years. The result—an unprecedented crisis in health care—has led to such an enormous demand for change that health care reform became the second most important issue (after jobs) in the 1992 election. Thirty-two percent of Bill Clinton's supporters voted for him because he endorsed health care reform, yet he has endorsed the corporate response to reform. Chapter 3 discusses the impact of Clinton's election, the political and economic forces that are shaping his proposals, and the popular mobilization to change them.
I have met while trying to change the health sector in this country. Their heroic lives have been a constant source of inspiration. Also, thanks are owed to the many friends and colleagues involved in the current struggle to establish a single-payer health care system that, like the system in Canada, would provide comprehensive coverage to everyone. What I have learned as the result of my participation in this movement has enriched my intellectual work enormously. Such a relationship between theory and practice is of paramount importance not only for understanding our reality but for changing it as well. The former project is considerably weaker in the absence of the latter. A large body of academic work by progressive intellectuals is seriously impaired and impoverished by an ivory tower isolation that nurtures academism, narcissism, and irrelevance. There is an urgent need for progressive intellectuals to engage in political practice that can enrich their work and make it relevant to the lives of the working people of this country.

I also wish to thank my colleagues and students, with whom I have had many intensive and enjoyable discussions. If they were assisted by our exchanges as much as I was, I feel fully rewarded. Special thanks go to my friend David Himmelstein, who went through parts of the manuscript in great detail and provided much assistance.

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WHY THE U.S. HEALTH CARE SYSTEM DOES NOT RESPOND TO PEOPLE’S NEEDS

Health care in the United States is in a state of profound crisis. In 1992 the United States spent $838 billion ($3,010 per person) on health services. No other country in the world spent such a large amount, which came to 14 percent of the Gross National Product, or GNP, almost double the average for capitalist countries with similar levels of economic development. Yet despite this high level of expenditure, 38 million Americans—17 percent of the population—have no health benefits, another 50 million have major gaps in their benefits, and the overwhelming majority do not have comprehensive coverage. If you or your parents, for example, were to develop a chronic condition that required