LaRouche: Cutting Health-Care Budgets Is Not the Way to Go

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Lyndon LaRouche responded on October 24 to a question from an associate about the AIDS epidemic, and about whether the Clinton health care program would do anything to deal with AIDS and to lessen the health care gap between blacks and whites. In his reply, LaRouche pointed out that he had come under attack back in 1986 by Patty Duke and the friends of Elizabeth Taylor, for his insistence upon traditional public health measures and intensive medical research to stem the spread of AIDS. The medical establishment instead insisted upon fraudulent "safe sex" prescriptions. Surgeon General C. Everett Koop and others indicated at that time that, although HIV infection was one of the worst menaces mankind has ever known, because of the onrushing budget-balancing crisis, we could not face a "panicked" rush to develop cures. LaRouche's statement continues:

... We've been under the reign of a fraudulent doctrine of safe sex and information since 1985–86, especially since '86. Now, as in the cases in France of blood bank contamination and the recent scandals in Germany targeting the people around [former Health Minister] Rita Süssmuth there, implementing the safe sex and information hoax policy, we now have an explosion worldwide which indicates that this is running out of control. This makes the idea of putting caps on medical research *rather wrongful* at this time.

We can turn, then, to another question, before coming back to a third question. The second question, is the impact of this information upon the so-called health care plan.

The way to approach this, is to talk about the *vulnerability*, the political vulnerability of the Clinton so-called health care plan. If we take the statement of the intention of the sponsors (the President and his wife) at this time, we have to say that the plan is *politically vulnerable*—explosively so—by virtue of the attempt to combine this with a budget-reduction plug. In point of fact, there is no way that these goals can be reached except by increasing the amount expended for health care.

While it should be emphasized that particular savings can be effected in reducing paperwork—by eliminating this Gestapo system of paperwork superimposed upon physicians, hospitals, and patients—this paperwork itself is a reflection of the attempt to apply caps to individual care rather than to focus upon a more efficient delivery of needed care.

The idea of cutting out categories of research, cutting out categories of investment in more technologically advanced areas, putting caps on treatment of people—this means triage, treating older and more vulnerable people as useless eaters, at least in tendency; this is one of the sources of the great administrative cost, and certainly these administrative costs should be removed.

But what this would mean, would be going back to a pre-1975 or *pre-Big MAC policy* [referring to New York City's austerity regime, imposed by Felix Rohatyn's Municipal Assistance Corp.—*ed.*], on the federal, state, and local level, of having adequate institutions which are combined public and private, with an adequate medical training, preparation, and teaching program as part of the institutions, providing sufficient beds and other facilities to meet the actuarially predetermined health care needs of the population; and to ensure a common delivery system through private physicians and public and private institutions, private voluntary and public institutions, which, working together, deliver the health care (institutional and physician), which is needed by the population as a whole, *on the basis of medical need*, with the included objective of improving health care technologically to provide better care with less labor. For example, the CT scan and such things, when properly used, enable physicians to provide diagnosis and care in such a way as to *reduce* the cost, and *increase the effectiveness* particularly of scheduled preventive health care, together with the unscheduled, in effect maintenance health care, caused by sickness.

This is going to cost more money. Let's go back to what the reasons for cost are.

Why Costs Are Rising

It must be recognized what the *real reasons* are for the *perceived* increase in cost as against per capita income levels, particularly of the lower income strata in the United States.

The basic problem is that the introduction of the New Age post-industrial society has resulted, in terms of physical economy, in a real reduction in typical per capita household purchasing power of families of, say, categories of industrial employment from the 1957–69 period; those same categories have a much lower standard of living today, for the same kind of work, and also for *increased* labor intensity of the workplace.

But at the same time, we have people who are in nonproductive categories, as typified by the burgeoning of financial services with PCs, hamburger flippers, and so forth, and social workers, who are largely a useless category; and a collapse of those elements of education—cognitive education—which equip people for employment in industrial society, with its agricultural and infrastructural complements.

So we have an increasingly less productive labor force as a result of collapse of education and related things, and a vastly reduced portion of the labor force is actually engaged in productive labor. The result of this, combined with the accumulated growth of a financial cancer sucking at the lifeblood of what productive system remains, is that per capita labor intensive or skilled services, such as medical services, are suffering a vast inflation from these combined costs.

At the same time, this is complicated by a collapse of the birth rate and the collapse of family life through divorces, single parent families, that sort of thing.

The result is that the pyramid of population is tending to become inverted, so that people who are becoming old today are not being replaced by new births. Therefore we have a demographically more aged population, which means a higher cost relative to the diminished percentile of people who are actually doing productive work, as opposed to useless social services or worse than useless financial services.

So we have an apparent increase in cost of the same care delivered, say, in 1967, because the income of the average person in society has collapsed. But that average income has to buy the same medical service, which is a highly skilled, skill-intensive form of service, which means that the skilled labor content is very high, and therefore, it is relatively very costly, in light of reduced real income, real purchasing power.

That is our problem. Therefore, we should not complain about the increased cost of medical care, unless we intend to commit genocide of the type that the Hitler regime applied in order to eliminate whole categories of people from care in general or certain categories of more costly care—which is actually what Hitler did in his approach to "useless eaters."

Unless we're going to do that, we're going to say this medical care bill is one we've got to meet; and what we have to do, is look at the way society's economic policies are structured and see if there isn't something we can do to reverse the causes of this rising cost of medical care. This means we've got to increase, not monetary jiggery-pokery, but in physical-economic terms, the actual productive powers of labor and actual physical productivity per capita of the U.S. economy, which means going back to a science and technology-driven industrial and agro-industrial economy. We should be able to correct this, by eliminating uselessness, eliminating all the tax benefits for activities of financial

speculation, decreasing the tax benefits and other things for these fast-food services, as opposed to real production.

So we have to tilt back, in a dirigist way, to a physical economy. Also, don't export our jobs overseas, and we'll find that people, if they're employed, are able to pay more for services than if they're unemployed or pushed out of industrial jobs into hamburger-flipping jobs.

That has to be the second point.

In the meantime, we have to increase these services, and since it's going to cost more: to do things justly because of the rising relative costs of medical care, we've got to bring down the relative cost, as distinct from the absolute cost, by building a society which can afford to care for its parents—instead of snuffing them out Kevorkian-style.

So it's either dump the New Age post-industrial society, or embrace Kevorkian's program for health-care cost reduction. Those are the choices. And of course unless we think like Hitler, we will never accept triage of the type which fosters the Kevorkians in our country. Never again shall the human race tolerate the kind of triage in health care and nutrition and nourishment, generally, which is exemplified by the Hitler treatment of so-called useless eaters, or slave labor methods associated with that.

A Matter of Economic Policy

This brings us essentially to the third point.

As a result of these New Age policies, as applied to post-industrial policies, we have put a stress upon the global biological system which once again is fostering, as we forecast back in 1974–75, an outbreak of global epidemics and pandemics.

The correlated rise of a new pandemic, HIV, with drug-resistant tuberculosis and the focus within the United States, as in the Third World, upon the ghettoes of the homeless and very poor, for the multiplication of these pandemics, shows us that our economic policy is a foolish and murderous one. It furthermore demonstrates what everyone has known, that the life expectancy and the condition of life have improved over recent centuries, the past 500 years in particular, because of improved sanitation and nourishment and housing, more than from any medical treatment.

Good health is first of all an economic policy matter, and secondly a medical matter. It is bad economic policies, not even the insufficiency of doctors, which are responsible for the accelerated death rates and sickness rates caused by diseases such as resistant tuberculosis and HIV, *which are merely markers of extreme poverty and stress upon the collective immune system of*

the human species as a whole, as well as the immune systems of entire nations and the pockets of population within them.

In this process, as past epidemiological history shows, we appear to have bred new varieties of epidemic and pandemic diseases which are a threat to the nation as a whole now, as a result, chiefly, of bad economic policies. Medical and related actions are part of the necessary economic armamentarium by which we control these problems and hopefully eliminate some of them—as we had nearly eliminated whole categories of epidemic disease from various parts of the world with DDT, until some politically corrupt idiots, such as the William Ruckelshaus of notoriety, foolishly bowed to political pressure, to eliminate these remedies.

We are not going to have a United States if we continue the present New Age policy of exporting jobs to places where labor is cheaper, combined with the cancerous growth of derivatives, combined with the general post-industrial drift. This nation will be *virtually exterminated* by the combination of epidemics and pandemics which flourish in such an economically depraved environment.

Even if we reverse our economic policies to cease promoting this kind of catastrophe, we are going to have to clean up the mess which has already been set into motion. To clean up that mess, we are going to require crash programs of medical and related research opening up new scientific dimensions of research, many of which, for example, will be typified by new dimensions in optical biophysics.

So therefore, the idea of a health care plan introduced to balance the budget, is the vulnerability of the health care plan in general. It cannot work, if that restriction is put upon it.

Rather, to balance the budget, we must address the real causes of budgetary imbalance:

1) We must put to an end the use of the New York Federal Reserve System and its private ownership, such as the un-Magnificent Seven banks of that region, in looting the world through the kind of deregulated speculation which is now savagely parasitizing our own and other economies.

2) We must force credit into a growth pattern, which some people are afraid the Clinton administration might drift toward, by forcing cheap credit into those areas which will reverse the post-industrial trend, to increase the tax revenue base, as well as the income base of the population.

That is the way to reduce the budget deficit, and the only way in which it can be successfully done.

Under that circumstance, then a generalized health care plan can be designed which preserves the advantages of a core of private physicians and a collaboration of the type we used to have, at least in such states as New York State as a model, before 1975, i.e., before Big MAC, in collaboration among private and public voluntary institutions, both in care and training.

The government's role, and the role of the public sector generally, should be strictly to pick up the margin of tab which ensures that adequate care is prepared for all by such delivery institutions over the course of each year. That can pretty well be done, it's pretty predictable; we don't need this elaborate system.

If you have a system where a sick person is given the care they need, and either they pay for it with private means or if they are unable to pay, then public means will pick up the balance of the tab, then we have a system which works, and we can afford to pay for it.

The problem of paying for medical care, is not essentially a matter of redesigning the system to save money by putting on caps and so forth. The way to make the kind of health care plan which the Clintons had projected work, is to address separately the question of increasing the per capita income and tax revenue base of the nation, so that the cost of health care can be more readily absorbed, more comfortably, more easily, by the private sector and by government.

That is the solution.

This is made clear if we push aside the economic frauds about the mythical recoveries which have never occurred in the past 20-odd years, and instead look at the problem, and see that the real cause of the medical cost problem is a post-industrial policy, a deregulation policy, a shipping jobs overseas policy, which has reduced the real tax revenue base and the real income base per capita of our population.