The GOP's health-care fantasy is a libertarian delusion

Danon Linker

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What kind of political party works tirelessly to pass a health-care bill that is wildly unpopular with the general public and overwhelmingly likely to disrupt insurance coverage for tens of millions of people (including many who until now have regularly voted for that same party)?

Such a political party would have to be in the grip of some pretty pathological ideas. And in the case of the House Republicans who passed the American Health Care Act last week, those ideas can best be described as libertarian.

"But wait," cry many self-described and pure-hearted libertarians. "We didn't support this monstrosity of a bill! We want to repeal the Affordable Care Act entirely and replace it with a combination of high-deductible insurance and health-savings accounts. What the House Republicans did was merely weaken parts of ObamaCare to enable a massive tax cut for the wealthy while keeping the rest of the ACA intact. That's not libertarian reform! It's a train wreck!"

That's true enough. But so is this: Even though the American Health Care Act is far from libertarians' ideal policy, it's nonetheless clear that libertarian ideals have infected GOP policy-making — to the detriment of America's body politic.

Michael Cannon of the über-libertarian Cato Institute — a man who's proud to be known as "ObamaCare's single most relentless antagonist" — can rail all he wants against the GOP's AHCA. It doesn't change the fact that the original AHCA, which failed to pass the House in March, was far more libertarian than ObamaCare, and the version that passed the House last week, is more libertarian still. How do we know this? Because the revised AHCA passed this time largely because the far-right (and very libertarian) House Freedom Caucus dropped its opposition and came on board. Would many of its members have preferred a bill that went even further in a libertarian direction? I'm sure! But the new version was still closer to the libertarian ideal than the previous one.

That wasn't good enough for Cannon, of course. Sure, he stands shoulder-to-shoulder with House Speaker Paul Ryan and many other Republicans in considering ObamaCare "unsustainable" and in thinking it would be foolish to "throw money at it." But Cannon is a policy wonk who works for a libertarian think tank that aims to cut government, period. He gets to keep his libertarianism pure. Ryan, by contrast, is a politician who leads a libertarian-minded political party that is willing to cut government only as much as he feels he can get away with. And for some bizarre

reason Ryan and his party think they can get away with disrupting health insurance coverage for roughly 24 million people.

How could the GOP have come to believe such a thing? The answer lies in the history of libertarianism's ascent in the party over the past four decades.

When Ronald Reagan was elected in 1980, libertarian ideas had last tasted political power during the administration of Herbert Hoover. FDR's defeat of Hoover in 1932 marked the beginning of the half-century of dominance by modern liberalism that Reagan aimed to overturn in the name of a libertarian vision in which government is treated as the source of America's problems and the private initiative of individuals, families, and free markets as the fount of its prosperity and virtue.

Reagan's battle against taxes and regulations was so popular and successful that by 1992 the Democrats had nominated and won with a candidate who was eager to meet libertarian-minded Republicans in the middle — embracing free trade, signing welfare reform, and even declaring that "the era of big government is over." This, in turn, inspired the GOP to move even further in the libertarian direction, with Newt Gingrich's "Contract with America" promising to gut a whole range of federal programs that Reagan had left untouched.

It was in this era that the conservative Heritage Foundation first proposed a health-care plan that Mitt Romney would develop and institute as governor of Massachusetts. At first Republicans were impressed, thinking that Romney had proven his policy chops like no one else in the party. But then Barack Obama won the presidency and used RomneyCare's center-right mixture of markets and regulations as a blueprint for the Affordable Care Act.

That move prompted the GOP's third libertarian lurch in a generation. Now the very attempt to use government to decrease the number of uninsured was a recipe for tyranny and the end of freedom in America. Now nothing less than a "free market" in health-care provision would be acceptable. That's the standard the House Freedom Caucus had in mind when its members opposed the first version of the AHCA and what Michael Cannon still has in mind when he denounces the second version. Neither of them delivers the absolute libertarian dream of a free market in health care.

Why shouldn't we embrace the dream? Like all utopians, libertarians talk a good talk. A free market would lower prices and increase individual choice, they say. And who doesn't like the sound of that? The problem is that, like all utopians, libertarians also have a big problem explaining how to get from our world — a world in which two years ago a local hospital billed my insurance company $52,000 for a minor bit of outpatient orthopedic surgery on a broken wrist — to one in which the wonders of competition and self-rationing will (supposedly) deliver quality care to those who need it without driving significant numbers of them (let alone 24 million or more of them) into bankruptcy.

Are we just supposed to repeal ObamaCare and allow everyone who's acquired insurance through it to lose coverage? And then assume that once they purchase high-deductible insurance to cover emergencies, and set up health-savings accounts to cover yearly physicals, routine tests, and their children's vaccinations, prices will fall down to Earth, leading routine procedures to cost a small portion of a yearly salary rather than a substantial chunk of it? This is crucial. Otherwise, such procedures will lead not only to large out-of-pocket expenses for deductables,

but also to rapidly and steeply rising premiums that go far beyond a level that millions of Americans can afford.

But how long will it take for those prices to fall? How far will they drop? And what about all the people who will be hurt between now and then? All the people bankrupted? All the people unable to get treatment for illnesses or injuries? Are we just supposed to tell them that in a few years prices will be lower, and then they'll be able to afford to see a doctor or go to the hospital, but in the meantime, too bad, that's life?

If we could start the world over from scratch, we might have a fruitful debate about whether to set up a free-market system of health care (though even then it would probably be far better for the rich and the healthy than the poor and the sick). But in the world we inhabit, such a debate is worse than fruitless — because it allows libertarians to use an imaginary great option as a sledgehammer to smash the flawed but perfectly acceptable (and eminently fixable) option we already enjoy in ObamaCare.