



The Capitalist Cure for Covid

December 7, 2020

“COVID-19 vaccine rollout relies heavily on pharmacy giants CVS and Walgreens,” is the headline over an Angeles Times story on Yahoo. It reports that plans to start this month giving coronavirus vaccines to millions of Americans “will depend not on public health departments but largely on the nation’s two largest for-profit pharmacy chains.”

Just in case Angelenos might miss the message, the Times goes on to report that the “leading role” of CVS and Walgreens “highlights the power and reach of the two companies” and “underscores how, after years of underinvestment in public health, the U.S. is highly dependent on for-profit companies for critical public services such as immunizations.”

We’re not quite sure why the story didn’t say that the leading role of CVS and Walgreens highlights the “power and glory” of “private enterprise.” Their phrasing, though, is accurate enough editorial work. The business about the years of “underinvestment in public health,” though, strikes us as deserving some context and explanation.

For it turns out that America has been making an enormous and growing investment in public health. As a share of GDP it is projected to crest 8% by 2040 from a fraction of 1% in the early 1960s and between 4% and 6% nowadays, without including coronavirus outlays, according to [a chart](#) issued by the centrist Committee for Responsible Budgeting.

Then you’ve got your National Institutes of Health and Centers for Disease Control. According to [figures compiled by the Cato Institute](#), American Taxpayers will lay out this year alone something like \$38 billion for NIH and \$8 billion for CDC. Those outlays have been climbing most of the time since the early 1960s. So “underinvestment” strikes us as off.

So, does the second part of the word “underinvestment.” We think of investment as buying ownership in something. What we deduce Los Angeles Times is suggesting that there hasn’t been enough of is spending. We don’t agree with that either. Far better, in our view, to spend taxpayers’ funds protecting the ability of private companies to pursue profits.

Profits are the incentive for private enterprises to build the businesses that have come up with the coronavirus vaccines. And the pharmaceutical chains that will distribute and, in some cases, administer the vaccines. It’s a mystery to us why this horrifies the press — whose own freedom is rooted in the fact that the press itself is private property.

Yet even our most famous newspapers seem oblivious to this principle. Just this morning, the New York Times is out with an [op-ed piece](#) plumping for the idea that in order to get vaccines

out fast, intellectual property rights should be suspended. “Otherwise,” it reckons, “there won’t be enough shots to go around, even in rich countries.”

While they’re at it, they might as well suspend newspapers copyrights. After all, a lot of poor countries can’t afford the enormously expensive online subscriptions that the Times and other papers are charging. Better in our view to leave long-standing rights intact. The government is free to compete, if it thinks it can compete on level ground.