



# Why We Should Abolish VA Hospitals

By Roger Pilon

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With [veterans dying](#) as they wait months for treatment at VA hospitals, the outrage is bipartisan—and President Obama has a problem that can't be categorized as a Republican attack. Obama learned about the VA hospital problems on TV, as his press secretary [had to admit](#), so accusations about maladroitness or absent vigilance ring true. But the VA scandal didn't arise from a failure to govern alone, or even mainly. [The problem is deeper, and systematic](#). It's rooted in a failure to understand the difference between how governments and markets provide services.

Health care is a service, like any other. In markets, customers rule: services are made available and kept honest and efficient mainly by competition, within a framework of basic law, not by government edict. VA hospitals offer a perfect example of the government being in a business it should never be in. Yet ironically, the VA itself offers an example of how government should work. When Congress in 1944 passed the GI Bill, it was noteworthy for two of its core programs: low-cost mortgages, and cash payments of tuition and living expenses to attend college, high school, or vocational education for veterans returning from World War II. Note the difference with the VA hospital model: Congress didn't build houses for the returning veterans, or build colleges or vocational schools. It simply gave the vets "vouchers," as we'd say today, which they could use in the already existing, largely private housing and educational markets. The answer today is for government—a true monopoly—to get out of the business of running hospitals. Imagine if government provided our food, clothing, and shelter: we'd be hungry, in rags, and homeless. It's no different here. Sell the VA hospitals and provide veterans with vouchers to spend where they wish. Allow them the dignity of being customers.

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