

**POOR LAW ASPECTS
OF NATIONAL
HEALTH INSURANCE**

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Poor Law Aspects of National Health Insurance by Frederick L. Hoffman

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**POOR LAW ASPECTS
OF NATIONAL
HEALTH INSURANCE**

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Tuberculosis	Whooping Cough	Army Anthropometry

POOR LAW ASPECTS OF ^{c+}
NATIONAL HEALTH INSURANCE

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POOR LAW ASPECTS OF NATIONAL HEALTH INSURANCE

THE FALLACY OF PROPHECY

The poor law aspects of national health insurance best illustrate the fallacy of the alluring promises held out by those who are making propaganda for compulsory health insurance, indifferent to the facts and the lessons of past experience. Thus Mr. Lloyd George, in his address to the House of Commons in 1911, held out the hope that "there ought to be an immense saving in the *cost of pauperism*," but as a matter of fact no evidence is extant that compulsory sickness insurance has materially, if at all, in even a single poor law union, reduced the amount of dependence upon public funds. There was available in 1911 an address on the National Insurance Bill by Mr. (now Sir) C. S. Loch, Honorary Secretary of the Charity Organisation Society, which included a most painstaking summary of German poor law experience under compulsory sickness insurance, with all the evidence pointing in the opposite direction. To disregard that evidence was a wrongful perversion of the truth, the consequences of which are likely to be suffered for generations to come. The proof afforded by the German evidence, quite to the contrary, was that there had been an immense increase in reliance upon public aid of every kind, obviously the result of the paralyzing effect of compulsory health insurance upon every sentiment of personal independence and mutual thrift, for, as Sir C. S. Loch points out: "Poor Relief is now claimed (in Germany) without regard to restrictions that held good formerly, and on the other hand, the greater number of workmen who before would have considered the receipt of poor relief a slur on their good name, and would have sought to avoid it by saving and retrenchment, now claim as a right that they should be relieved out of the Poor Fund amply in addition to the Insurance money that they receive." The German government never faced the problem, and regardless of an immense machinery for collecting statistical information, never gave adequate publicity to the facts. The same is true of Great Britain, for which it is next to impossible to secure a trustworthy statement of the amount of poor relief granted to insured persons in poor law infirmaries or otherwise.

It requires no extended amount of serious reflection upon the principles and details of compulsory health insurance legislation to make it clear that even with the best of laws the poorest poor cannot possibly be reached through a system which rests upon compulsory contributions on the one hand and on the other upon the continued wage-earning capacity or remunerative employment of the insured. Nor is a system of compulsory health insurance conceivable under which those who do not pay their contributions continuously are cared for in the same manner as those who do. It is the tragedy of the poor that the want of continuous

and remunerative employment or the steady receipt of weekly wages is one of the causes of the very poverty which it is claimed sickness insurance will aid in removing or do away with in its entirety. Those who hold out promises of far-reaching changes in the condition of the poor as the result of compulsory health insurance must needs have but a slight acquaintance with the true problem of poverty and pauperism, which are by no means synonymous terms, for there is a vast amount of poverty which it is impossible to reduce to the status of pauperism, just as there is a large amount of pauperism which no remedial legislation can possibly raise to the condition of the independent self-respecting poor. It is worse than hypocrisy to delude those who are destitute with the promise of benefits under a new social order which cannot possibly be realized in the light of past experience, and as made evident upon a careful inquiry into the underlying principles and facts. Poverty is a relative term, depending largely upon the viewpoint of the critic of social conditions; and what is poverty in one country or at one time may be affluence or well-being in another country and at another time. The fundamental fallacy of most of the reasoning on poverty and pauperism is the superficial concern which is had as to the condition of the very poor and the circumstances of those who have fallen far below the average standard of social and economic well-being and security. Such inquiries should be directed not so much towards the reasons why people are paupers or in poverty, but to the ascertainment of how the infinitely larger portion of the population maintain themselves in independence or secure, by their frugality and thrift, a condition of comparative affluence and comfort. To this aspect of life most of the social workers, unfortunately, give practically no serious thought, and as a result no measurable progress has been made, in spite of many well-meant efforts to raise through charity or philanthropy the status of the self-respecting poor to a much higher level of social and economic security. Fatuously believing in panaceas or visionary methods of social reform, social workers are often indifferent to the much more important lessons of daily experience of how the problem of poverty is being successfully solved by those who have faith in their own answerableness to society and in the effort which they themselves make at their own cost and in their own way to attain a higher standard of labor and of life.

THE POOR LAW ORIGIN OF HEALTH INSURANCE

The poor law aspects of national health insurance in Great Britain cannot be fully understood without some knowledge of the antecedent conditions which have been dominant in the lives of British wage-earners for practically three centuries and more. The poor law of 1601, known as the 43 Elizabeth, is practically the dividing line between the old order, when some measure of responsibility was still attached to individual misconduct or indifference to elementary considerations of social progress, and the new, under which by the fiat of the state provision is made for the