

Why Won't Corporate America Support Single Payer Medicare-for-All?

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On the surface, it appears to be a no-brainer. Healthcare costs in the U. S. are twice as high as any other industrialized country. Most large corporations still pay a big chunk of their employees' health care insurance premiums. Some are obligated by union contracts to pay an even larger percentage and to provide coverage for retirees. Many operate profitably in countries with national health care systems where they pay far less towards healthcare costs than they do in the U.S..

So, from a straight bottom line business perspective, corporations should be leading the fight to replace our dysfunctional, overpriced, for-profit private insurance system with a single-payer, Medicare-for-All model. Yet more than 20 years after the crisis of escalating health insurance premiums first hit the corporate radar screens, not a single major U. S. corporation has come forward to advocate for replacing employment-based health insurance with a comprehensive national healthcare system. What gives?

Well, I can't claim any deep psychological insights into the corporate mind-set but I did negotiate with a wide array of corporations in my 20-odd years as a union official. In fact, in 2005, my union negotiated a national agreement with the oil industry that established a joint "Health Care Strategic Committee" meant to address the "undue burden" that the "upward spiral of healthcare costs has placed on employees and employers alike." The purpose of the committee was to, "[E]xamine, explore and seek means, both internal and external, to address this rapid rise in health care costs. Further, the Committee will endeavor to influence the national debate around health care issues through positive participation in public and governmental forums."

Now many of us were hopeful that this might produce some results. Lots of these companies were based in countries that had national healthcare (British Petroleum, Royal Dutch Shell, etc.). All of them did business in countries where the right to healthcare is a birthright. But it was all in vain. The union practically had to tie them to their chairs to get them to listen to a presentation on single-payer from highly-credentialed experts. After two sessions, the whole thing dissolved into acrimony. They were only interested in one thing: shifting their healthcare costs onto the backs of their employees.

I think there are a number of factors that contribute to this mindset:

1. It's about power. Corporations like having healthcare linked to employment. They like having people held captive in jobs they hate for fear they they'll lose their health coverage. They like it that, when you go on strike, you generally lose your health insurance. They like to control who they will cover, how much they will pay and what benefits are offered. They like the ability to change anything at any time for any reason whatsoever.

2. They already have a plan to reduce healthcare costs. Thirty years ago, most employees of large corporations were covered by defined benefit pension plans that paid a guaranteed retirement benefit for as long as the person or their spouse lived. Today, the lucky ones have a 401 (k) plan that they pay into that has no guaranteed pay out. In effect, most large corporations

have transferred all of the risks of providing retirement coverage onto their employees. This is their same plan for health insurance. All of the talk about “employee-directed health coverage” is about transferring risk from the corporation to the employee. Ultimately, they would like to replace any guarantee of health coverage with a voucher system where workers purchase their own coverage from an unregulated market.

3. They don't like slippery slopes. Large corporations almost always religiously resist any attempt to regulate or control their behavior. These people would probably fight a regulation requiring them to help old people cross the street by claiming that it will create a new entitlement mentality that will undermine the free market. Much of the politics of the last 30 years has been about corporations trying to free themselves from any national or social constraints on their mobility or freedom to do just about anything. They're not going to easily concede that the time has come to establish a new social right in the heartland of capitalism.

4. They practice class solidarity. Unlike the poor benighted U. S. working class (was it Jay Gould who boasted, “I can hire one half of the working class to kill the other half.”?), large corporations actually believe in class solidarity. Health industry executives serve on other corporate boards and other executives serve on their boards. The banking and financial sectors establish all kinds of interlocking relationships between various large corporations. They belong to the same country clubs and their kids go to school together. They know that the threat to put the voracious health insurance industry out of business is a threat to profiteers everywhere.

5. They are their own worst enemies. In the darkest days of the depression, President Roosevelt's New Deal saved the capitalist system from itself by ushering in a new era of regulation and transparency. Almost without exception, corporate interests fought him every inch of the way. In fact, he had to link up with a vast popular movement against the “malefactors of great wealth” in order to create the conditions that stabilized the economy and then allowed corporations to thrive in one of the most prosperous eras in world history. Once we win single-payer, many large corporations will become big supporters. But we'll have to drag them kicking and screaming to that moment.

This is not to say that we should stop demanding that corporate America add their voice to the fight for healthcare for all. Nor does it mean that all employers will act with the same obstinate resistance that large corporations do. In particular, small businesses are led by flesh and blood human beings with healthcare needs of their own and relationships to their employees and the communities they do business in. They can be a powerful constituency for single payer and there are some successful organizing models out there that we should embrace.

Likewise, public employers should be a natural supporter of single payer. They don't have the profit-driven reasons to maintain support for a wasteful system of private insurance. They could save trillions if they were relieved of obligations to provide continuing private insurance coverage for retired and active employees. The entire federal budget deficit would disappear if we paid the same amount in per capita healthcare costs as any other industrialized nation where healthcare is a right. You need only to compare the vicious, “low road”, blame-the-workers approach to budget cutting in states like Wisconsin and Ohio (whose current political leaders are financed, I might add, by some of the most despicable corporate interests) with the “high road”, we're-all-in-this-together, solve healthcare first approach in places like Vermont to see the potential for our movement to have public employers on our side on this issue.

But, in my opinion, the only thing that will move most large corporations is a powerful grassroots anti-corporate movement that will hold their feet to the fire. We'd be better served spending our time building that movement than clinging to a naive hope that somehow corporations are going to come to our rescue out of their own self-interest.