

Politics may strain health care reform

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TEXT OF COMMENTARY

Kai Ryssdal: President Obama filled another cabinet slot today. At least he hopes so. He picked Kansas Gov. Kathleen Sebelius to run the Department of Health and Human Services. Even though she's going to work for the president, she'll probably be spending most of her time up on Capitol Hill trying to get health reform through Congress. And as we saw with the stimulus package, the battle over health care will probably put bipartisanship to the test.

Commentator and economist Edward Miguel says a little recent history here might be useful.

EDWARD MIGUEL: Republican majorities in Congress passed the largest expansion of federal government health spending in decades with the Medicare Prescription Drug Act of 2003, with strong support from President Bush.

One has to wonder if there are more than economic ideology differences at work on either side. Even Rush Limbaugh said about the stimulus plan: "I don't think it's designed to stimulate anything but the Democrat Party."

Recent economics research suggests Limbaugh may be right on the politics. My co-authors and I found that government programs powerfully impact voters. We studied the South American democracy of Uruguay, where a charismatic, new,

center-left president implemented a large anti-poverty program during an economic crisis.

Sound familiar? We compared two groups of households, some who received large income benefits from the government versus others who failed to qualify. And program beneficiaries were 15 percentage points more likely to voice support for the political party implementing the program. Support remained equally high even the year after the program ended.

U.S. history also points to persistent political legacies of big social programs. Millions of Americans who came of age in the Great Depression became loyal Democrats for life, rewarding the party that created the New Deal. President Obama promises a new set of programs, starting with the stimulus and extending into health care and beyond.

And if Obama's reforms work, it's not just the economy that will get a boost. People will recognize the role government played in their ability to secure benefits like health insurance and reward his party at the ballot box later on.

If the recipients of these programs are more likely to move into the Democratic column and stay there, how far might Congressional Republicans go to block reforms that may resurrect the economy and improve lives — but hurt their re-election prospects? Who knows? But, partisan political concerns may be just as important as economic policy details in determining the success of health care reform in this critical year.

RYSSDAL: Edward Miguel teaches at the University of California, Berkeley. His most recent book is called "Economic Gangsters."

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