

## FAILURE OF GERMAN COMPULSORY HEALTH INSURANCE—A WAR REVELATION.

The primary purpose of the establishment of compulsory social insurance in Germany was to hinder the rise, curtail the powers, and ultimately destroy the Socialistic movement, chiefly as represented by the political activities of the Social Democratic Party. It was conceived by the imperial regime as a paramount necessity to stabilize and perpetuate the imperial throne and as a condition precedent to the secret projects of the military powers for world conquest and imperial aggrandizement. By means of a cleverly devised terminology and downright methods of deliberate deception, the German working people were deluded into the belief that the so-called system of compulsory health insurance was primarily intended for their benefit as the most effective means of social amelioration. Yet, what was called social "insurance" was never a true system or method of insurance in the universally accepted sense of the term derived from the Rhodian Sea Laws, in which the principle of equitable contributions proportionate to the benefits secured was first laid down and for all time. But the recognized social value of insurance methods was clearly realized by the German Government and utilized as a means of establishing the most drastic, burdensome and unnecessary system of social control conceivable, even under the regime of an imperial and military autocracy, for in all the autocracies of the past the government concerned itself chiefly with the control of the person for military purposes and the auxiliary exercise of the taxing power to secure the required revenues for military needs. The German Government, clearly realizing in the rising tide of German democracy a serious menace to the imperial throne, relied upon the system of compulsory social insurance to bring about the complete subjection of German wage-earners to the will and the whim of the vast bureaucratic and, of course, primarily political machine organized in connection therewith. For some thirty years the Government succeeded in thus fostering the popular delusion that compulsory health insurance was really serving the social needs of the German people, because of the social progress attained by them, in response to increased intelligence, increased international competition, opportunities for foreign trade a high protective tariff fostering German industries, and the power for individual advancement, inborn in the heart and soul of every man and woman above the level of the brute.

The spirit of Socialism in Germany was not, however, diminished, but quite to the contrary strongly accentuated by social insurance which did not remove the true and underlying causes of social unrest. In 1884, when the social insurance system came into existence, the Socialistic vote was 55,000. In 1912, and regardless of every effort at suppression and discouragement, the vote was 4,250,000! Socialism had its rise in Germany largely because of intolerable social and political conditions, ignoble class distinctions and autocratic interference in the private affairs of the

people. As has well been said by a brilliant French writer on Anglo-Saxon superiority, M. Edmond Demolins: "Socialism is essentially a product of German origin and manufacture—its centre of formation is in Germany; it is from Germany that it permeates the world." And as observed by a member of the Reichstag, Bamberger: "A remarkable thing is that socialistic ideas have found nowhere a better welcome than in Germany. Not only do these ideas fascinate the work people, but the middle classes cannot resist them, and we often hear persons of that class saying, 'Why, indeed, perhaps everything may go on better thus; why should there not be a trial?' Moreover, Socialism has reached the upper classes; it has a seat in the Academies; it speaks from the lecture chair in the universities." Also in the words of Demolins: "It may be said that the genera of Socialists are to be found in Germany—Revolutionary Socialists, Conservative Socialists, Evangelical Socialists, Catholic Socialists, who lecture in the very universities. Such a general and varied blossoming is proof enough that this plant has found in Germany a most favourable soil for its growth and efflorescence."

The foundation document of German social insurance was signed by Emperor William I. on November 17, 1881. The armistice terminating the world war was signed by a Socialist in behalf of the German people on November 11, 1918. The paternalistic system had been tried and found wanting. Though but half-realized even now, the pseudo-socialistic order, established by the fiat of the government, was ended and for all time. As foreshadowed by Demolins in his praise of Anglo-Saxon superiority and private initiative and self-help: "The social problem is not solved by tendering assistance to individuals any more than the secret of life consists in keeping ourselves alive by dint of swallowing drugs. Neither assistance nor drugs are a natural or a normal means of sustaining life. It is true wisdom to manage without artificial aids."

All compulsory social insurance rests upon profound misconceptions of life and labour in a democracy, for it involves the establishment of a permanent class distinction in precisely the same pernicious manner as class distinctions were established in England under the Poor Law of 1601. Social insurance in Germany was never more than a carefully designed but most insidious form of poor relief, or supplementary grants in aid, required to amplify insufficient incomes, or offset unwholesome or otherwise detrimental environmental conditions. The relative improvement in these conditions in Germany during the last forty years was unquestionably remarkable, but, nevertheless, in decided contrast to the social and economic progress of Greater Britain and the United States and other industrial nations of the world. In place of a state policy, aiming deliberately at a higher standard of living among wage-earners and their dependents, as fundamentally conditioned by higher wages, shorter hours, a lesser proportion of children and married women at work, a more wholesome system of housing compatible with modern conceptions of home life, better and