Gifts, exchanges and the political economy of health care

Raymond Plant *Department of Philosophy, University of Manchester*

Part I Should blood be bought and sold?

Should blood be bought and sold is in crude terms the question asked and answered by Richard Titmuss in his recent book The Gift Relationship. Dr Raymond Plant, a lecturer in philosophy at Manchester University, analyses Titmuss' arguments in a paper which we are printing in two parts. Titmuss has taken the provision of blood as his example of the gift relationship – and by extension that of health care generally. Dr Plant considers in turn each of Titmuss' arguments that blood should not be a marketable commodity, the moral objections to which seem to be the erosion of freedom and of truth telling, the separation of society through the cash nexus, and its converse that the provision of health care is a means for the integration of society. Dr Plant also examines the views of other commentators on the Titmuss' theory of the value of a 'free' blood transfusion service and other medical care as a means of integration in society, and ends with his promise that in the second part of his paper he will examine Titmuss' principles not in terms of the market but rather as related to the principle of social justice.

In this paper I shall be concerned with two principles which are often invoked in discussions about the appropriate method and form of the distribution of health care. Some have argued that the provision of a non-market, public-service health system helps to maximize a sense of fraternity, integration and community; others have suggested that questions about the character of the distribution of medical care should be discussed more in the context of an appeal to the principles of justice rather than of fraternity. My sympathies are with the latter position and I shall argue for such a view in the final section of the paper. However, I hope that in part I of the paper to see what can be made of the integrationist argument and I shall take it first of all from a very specific discussion of the distribution of health goods, namely, Richard Titmuss' very influential book *The Gift Relationship*.¹

The nature and distribution of health care

Titmuss' book, which consists largely of a compari-

son between the British and American blood transfusion services, raises very general questions about the nature of health care and the form of its distribution. It asks questions such as whether or not health care can really be regarded as an economic commodity to be bought and sold in the market; the effect of the economic market on the cohesion of society; and the relationship between the market and the objectives of social policy. As Kenneth Arrow says:

'Titmuss' book is a resonant evocation of the central problems of social value. His blithe disregard for the moral and epistemological strictures against confusion between fact and value permits him to raise the largest descriptive and normative questions about the social order in a highly specific and richly factual context.'²

Like much of Titmuss' work, *The Gift Relationship* is concerned to demarcate the boundaries between economic and social policy. Economic goods are commodities to be bought and sold through the market, subject to the laws of supply and demand and diminishing marginal utility and with their value fixed by the price mechanism existing within a system of mutual and reciprocal exchange. The basic question for social policy as Titmuss sees it, and on which much else rests, is whether the goods such as health, education and welfare are different in principle from economic commodities so that their distribution ought to be via institutions which reflect this discrepancy between economic goods and what might be called welfare goods. If economic goods are not economic commodities then, on the face of it, the market is an inappropriate arena for their distribution. The economic sphere is characterized by exchange, where a *quid* is exchanged for a *quo*; perhaps health, education and welfare involving radically different types of goods should be characterized by gift and transfer. As loyalty, courage and promise keeping are not economic goods to be bought and sold perhaps welfare goods *ought* not to be. As Titmuss puts it in the highly specific case of blood donation:

'Examining as a case study one such manifestation of social policy we come to ask: is medical care, analysed into its component parts – such as blood transfusion services – a consumption good indistinguishable from other goods and services on the private market? . . . If blood is morally sanctioned to be bought and sold, what ultimately is the

justification for not promoting individualistic private markets in other component areas of medical care?'³

This general question, which is of enormous philosophical and practical importance, in the dispute over the public service versus private market provision of medical care, is then, for Titmuss, represented in the particular question, 'Is blood an economic commodity?' On the more general question, 'Are welfare goods economic commodities?' he says:

'Blood as living tissue may now constitute in Western societies one of the ultimate tests of where the "social" begins and the "economic" ends.'⁴

Titmuss' views on this question were greatly influenced by arguments put forward by K Boulding in his paper 'The boundaries of social policy.'⁵ In this paper Boulding argues that a defining criterion of the sphere of the economic is that of reciprocal exchange, a system in which a *quid* is exchanged for a *quo*. The economic sphere is the sphere of a mutually advantageous bilateral transfer. The sphere of the social, by contrast in Boulding's view, is to be characterized by 'grant', 'unilateral transfer' or 'gift'. This gift may be of money, time, satisfaction energy or, in the case of blood, life itself. These unilateral transfers are made legitimate not by an appeal to mutual advantage as in the market context but by reference to such values as integration, fraternity, community and altruism:

'The success of social policy then would be measured by the degree to which individuals are persuaded to make unilateral transfers in the interests of some larger group or community'.⁶

In terms of individual motivation the economic sphere is characterized by that of the rational calculation of private advantage: the social sphere by altruistic fellow feeling. The justice of this division between the sphere of the social and the economic is conceded by Arrow in his critical study of Titmuss' book,⁷ although he points out correctly that in democratic societies the voting of expenditures for the benefit of others plainly constitutes an institutionalization of giving.

If there are some goods which fall within the sphere of unilateral transfer, then, in Titmuss' view, this is morally very important. He places very great store by such values as fraternity, integration, community and altruism and he uses his attachment to these ideals to point out what he regards as the baneful, fragmenting effects on a society on a way of life dominated more or less entirely in the public domain by the ethos of the market in which people meet only as buyers and sellers of commodities. If medical care is not an economic commodity, but rather falls within the social sphere then, in his view, it ought to be distributed through unilateral transfer rather than through the bilateral exchange system characteristic of the economic market. Not

only will this be, as it were, logically appropriate for such a good if its character is not that of an economic commodity but, in addition, the distribution of welfare goods through unilateral transfer rather than through the market will also strengthen those social values of which Titmuss approves, notably, altruism, a sense of community and fraternity. In support of this kind of view Titmuss uses anthropological evidence from the work of Mauss and Levi-Strauss to suggest ways in which the gift relationship or unilateral transfer strengthens social integration and cohesion:

'We are reminded, whenever we think about the meaning of customs in historical civilisations, of how much we have lost, whatever we may have otherwise gained, by the substitution of large-scale economic systems for systems in which the exchange of goods and services was not an impersonal but a moral transaction, bringing about and maintaining personal relationships between individuals and groups'.⁸

So a complex set of moral issues relating to the legitimate form of distribution of medical care and other welfare goods is raised by Titmuss in this highly specific study of blood transfusion.

Is blood (and medical care) an economic commodity?

Is blood (and *a fortiori* medical care generally) an economic commodity? In order to make this crucial question more manageable I want to draw a distinction which Titmuss does not make, although elements of it are implicit in his argument. In terms of the distinction the question would be asked in two ways: 1) Are there deep-seated *moral* objections to the buying and selling of blood? Or more generally is the buying and selling of health care *morally* justified?' 2) Does blood in particular and health care in general have certain specifiable features which mark them off from paradigm and non-contested examples of economic commodities so that their distribution through the economic market, although possible, is somehow inappropriate? In the first case we are confronted with a moral problem, in the second a logical problem about the appropriate category under which health care should be put.

Moral objections to a market in blood

The moral objections to a market in blood and for health care generally are many for Titmuss, but some of these arguments seem to apply more readily in the case of blood than they do in the case of general health care. Two of the values which Titmuss thinks are endangered by an economic market in blood are freedom and truth. The case designed to show that personal freedom is endangered by the extension of the economic market to the blood transfusion service is complex. Indeed on the face of it, the whole idea of freedom being

endangered by the introduction of a market in blood to run *alongside* the voluntary system in Great Britain seems to be quite implausible: after all, have not defenders of the free market economy always appealed to the ability of the market to secure personal freedom against various forms of planned collectivism?⁹ Indeed some have argued with respect of the voluntary system of blood donation in Great Britain that to develop alongside of this a market in blood would in fact increase freedom: a man can still give blood voluntarily or he can choose to sell. At the moment he has only the one option and so it would appear that to increase the options available, by the introduction of a market, would be an extension of personal freedom. However Titmuss rejects this argument, not merely in passing or parenthetically, but in a wide open way:

‘... as this study has shown comparatively, private market systems in the US and other countries deprive men of their freedom to choose to give or not to give.’¹⁰
and again:

‘In a positive sense we believe that policy and processes should enable men to be free to choose to give to unnamed strangers. They should not be coerced or constrained by the market. In the interests of the freedom of all men they should not be free to sell their blood or to decide on a specific destination for the gift. The choice between these claims – between different types of freedom has to be a social policy decision.’¹¹

The diminution of freedom

The meaning of these two passages is very unclear. However, there seem to be three possible ways of taking the assertions made and possibly all are implied. The first possible meaning is that a market in blood is inefficient, as Titmuss clearly believes, both in the sense that the total amount of blood collected relative to need in the USA in a market system is less adequate than in the all-voluntary British system and in the sense that the blood collected in Britain is of better quality. Thus, it might be argued the freedom of those who *need* the blood is diminished if the market collects an inadequate supply and of a poor quality. On such a view the market may increase the freedom of choice for the seller but it may have disastrous consequences for the consumer. Consequently, assuming for the moment that Titmuss’ strictures on the efficiency of the market system are correct, then it could appear that the introduction of a market in blood alongside the voluntary system might well diminish the freedom of the consumer – ‘the young and the sick, the excluded and the inept’. The nearest Titmuss comes to putting this construction on his view of freedom in the market context is in the following passage:

‘One of the functions of the atomistic private

market is to “free” men from any sense of obligation to or for other men, regardless of the consequences to others who cannot reciprocate and to release some men who are eligible to give from a sense of inclusion in society at the cost of excluding other men who are not eligible to give.’¹²

One man’s freedom can become another person’s constraint and when more low quality blood is collected under the market system and the consumer is not in a position to judge, then the freedom of the consumer is regarded as being diminished.

The second way in which freedom is diminished by the opening of a market in blood supply is, Titmuss argues:

‘Professional freedoms are eroded among doctors and other health workers; the rights of patients are endangered by the associated growth of profit-maximizing hospitals and laboratories and the medical ignorance of patients is exploited by the development of legally defensive medical practice.’¹³

This is a very generalized claim and too sweeping to be discussed by a philosopher in the course of conceptual discussion, but perhaps an example of what Titmuss has in mind may be given. In July 1962 in the USA the Federal Trade Commission issued a complaint against a community blood bank in Kansas City on the grounds that local hospitals entered into contracts with this blood bank and refused to accept supplies from two commercial banks because these banks, so it was alleged, attracted largely skid-row derelicts as its donors. As the complaint stated the respondents had entered ‘into an agreement or planned a course of action to hamper and restrain the sale and distribution of blood in inter-state commerce. They were charged with conspiring to boycott a commercial blood bank in the sale and distribution of blood in commerce and that the conspiracy was to the injury of the public and unreasonably restricted and restrained inter-state commerce in violation of Section 5 of the Federal Trade Commission Act of 1952’.¹⁴

During this period Senator E V Long of Missouri tried to exempt non-profit-making blood banks from the anti-trust legislation but failed. The upshot of the case as reported by Titmuss is that representatives of the medical profession felt that their professional freedom to decide the best source of blood for their patients was being eroded. It was in his view, a case of enforcing business practice over medical opinion. The American Medical Association, the American Hospital Association, the American Association of Blood Banks, the College of American Pathologists and the County Blood Council of New York were among the organizations which protested against the decision. The increase in freedom for the donor – gift or bilateral exchange – was seen as involving a diminution of freedom for the medical profession:

‘Under the order, professional freedom was severely restricted. It was illegal to take part in

collective decision not to buy commercial blood, despite the general weight of opinion that such blood carried a much greater hepatitis risk'.¹⁵

One man's freedom may mean another man's restraint and one cannot ignore the chain connexions in this kind of field.¹⁶ So in Titmuss' view it should not be regarded as self evident that the market increases freedom.

Finally we may give another interpretation to the way in which a market in blood alongside a voluntary system may diminish freedom and it must be said that this reason as stated by Titmuss is highly unsatisfactory. It seems that he regards payment for blood within a market sphere in some way devaluing the gift relationship in the voluntary sphere. To increase freedom of choice by opening a market in blood, he argues, somehow seems to undercut the value of the gift made voluntarily by others. As Arrow¹⁷ points out though, this would be an empirical issue – whether people did or did not feel that their voluntary donation was being devalued by the existence of a market and a price for blood and indeed would they see the situation as Titmuss describes it if the reasons for opening a market in blood were fully explained to them? However, the sense of dissatisfaction with Titmuss' argument here goes deeper than this. Even if it did undercut the value of the gift it still seems in no way to restrict the freedom of the donor to give or not to give. It is surely still open to the donor to give, and someone with the robust sense of altruism of which Titmuss approves would hardly let something like the existence of a parallel market in blood act as a constraint on his action as Titmuss seems to think that it would. However, the reply to this objection would seem to be that if one looks at the empirical evidence (such as it is) one will find that those who give blood voluntarily do regard the possible existence of a market as a threat to their motivation to give as opposed to sell. This is the defence of Titmuss' position offered by Peter Singer in his reply to Arrow in *Altruism and Commerce*.

'The nature of the replies – not the mere fact that the donors were altruistically motivated, but their attitudes to the National Health Service in general and the blood transfusion service in particular is evidence that at least for some people the possibility of others buying and selling blood would destroy the inspiring force behind their own donations'.¹⁸

The reasoning here does not seem to me to be entirely clear but it would seem at least to involve the view that others are depending upon their generosity and concern, that one may oneself in an emergency need the goodwill of a stranger, the feeling that there is this residual area of social relationship in which we must rely on the goodwill of others – these ideas are held to be incompatible with the market system.

It seems though that these three arguments by which Titmuss seeks to show that the development

of a market in blood alongside the voluntary public service system will decrease freedom are lacking in plausibility. As far as the first argument is concerned it may be that some people who are in dire need of blood may not be able to act as rational consumers on the market either because they are too ill or because they do not have the means to purchase the blood. However, there is nothing in the arguments of those who have advocated the introduction of a market system alongside the voluntary system which would preclude the provision of supplies to those in need on a unilateral transfer basis. This does not mean that all transactions have to be of this sort and it is very difficult to see how freedom is diminished.

So far as the other two arguments are concerned they can, I think, be counteracted by the theorist who wishes to see a market in blood. Titmuss stresses the altruism of the donor of the blood but he does not stress so much the dependency of the consumer. In a situation in which the consumer *cannot* pay for his blood as in Britain he has no choice but to be the dependent recipient of a gift. The freedom of the donor to give blood is mirrored in the fact that the consumer cannot but be a dependant. The second argument which Titmuss advances is that professional freedom may be eroded as the Kansas City case illustrates. However, this appears to be a highly contingent matter. The source of the problem is that blood for which a fee has been paid is held to be of lower quality because it attracts the skid-row derelict who has an incentive (the payment) to withhold information about whether or not he has had hepatitis and thus whether his blood may be contaminated. This contamination cannot be detected in the majority of cases (according to Titmuss) and consequently the doctor's clinical judgment may lead him to reject such a source of blood and thus lead him into the violation of the anti-trust laws. However, the factual data here are not inclusive. In a paper 'Blood donation and the Australia antigen',¹⁹ Dr A J Salisbury has argued that contaminated blood can now be detected quite easily by crossover electrophoresis and G C Turner argues:

'The prevention of serum hepatitis caused by the transfusion of antigen-positive blood is now an attainable objective. Within the foreseeable future it should be possible to test all blood for SH/Australia antigen before transfusion'.²⁰

If this empirical evidence is correct, then once the market domain in blood utilizes such tests there can be no clinical objection to the use of commercial blood and an insistence of fair trading under the anti-trust legislation would not erode doctors' professional freedom.

It is also difficult to generalize Titmuss' claims from the case of blood donation to medical care generally, at least in so far as the argument about freedom is concerned. All of the three interpretations

of his argument about freedom are very closely related to the specific case of blood and it is very difficult to see how any conclusions about the correct form of distribution of medical care generally can be generated from his arguments. This is not to say that arguments about freedom are not important in deciding the question of the appropriate sort of allocation of medical care – only that Titmuss' own arguments are not persuasive in the case of blood and are difficult to generalize from that case to medical care generally. Indeed freedom is crucial and a good deal of the final part of this paper will be devoted to a discussion of it.

Erosion of truth telling

The second major value which Titmuss invokes in order to argue that blood ought not to be treated as an economic commodity is that of truth telling.²¹ It is part of his argument that a voluntary system of blood donation such as that found in Great Britain encourages truthfulness on the part of the donors, whereas the commercial market in blood may well have the opposite effect with potentially very damaging consequences for the consumer of blood products. The essence of this argument trades off the evidence about the incidence of serum hepatitis in transfusions from commercially collected blood which figured in the final part of the discussion about freedom. Titmuss argues that serum hepatitis may be contracted from infected blood and that the virus concerned causes the disease which is certainly distressing, causing inflammation of the liver, and may well be fatal. The infected blood in Titmuss' view cannot be detected in the majority of cases and only the donor is in a position to reveal that he has had the disease and that his blood may be contaminated in this way. Usually the prospective donor will know whether he has had hepatitis and thus his truthfulness is a crucial factor. Obviously the blood-collecting agency could check medical records but this would considerably increase the costs of the exercise. Within the voluntary system there is of course no incentive to conceal the fact that one has had the disease. If the donation is given, at least in part on altruistic grounds, then it would be inconsistent with an altruistic desire to give blood to the benefit of others and conceal the fact that a transfusion of the blood could prove fatal! On the other hand within a commercial system this argument does not hold. If the incentive to give blood is the cash reward then this may well outweigh one's knowledge that one has had hepatitis and that one's blood may be contaminated. In this way, in Titmuss' view, a commercial market may underline the value of truthfulness. Thus the apparent freedom of the market on Titmuss' view may lead to harmful effects on consumers of commercial blood while at the same time undermining certain socially important values as honesty, integrity and truthfulness on the

part of those who attempt to sell in the market. These values are not just important outside the market but may well be crucial to the operation of the market generally. Thus if a particular range of market transactions undermines honesty this could well have ramifications throughout the market system. Certainly this argument had a great deal of power. As Salsbury comments:

'Another serious risk of serum hepatitis is associated with paid donor services, particularly in the United States . . . the higher risk of serum hepatitis from commercial blood has often been used as an argument by those who oppose paid donor services. Until recently this argument has been difficult to refute since there was no way of detecting donors who were carrier of the virus'.²²

However, as the evidence cited in the previous section indicates, new advances in medical technology consequent on the discovery of the SH/Australia antigen have fundamentally altered the argument. The truthfulness of the commercial donor can now be tested. In case critics of the commercial system argue that this is still an unnecessary cost to blood collection which is not in fact incurred in the voluntary system it is worth noting that the National Blood Transfusion Service has started to screen voluntarily donated blood for Australia antigen on the advice of the Department of Health and Social Security.²³

Again, it is not clear how far this argument can be generalized from the case of blood to other aspects of medical care. Certainly a lot of health care does require trust and truthfulness, particularly in doctor-patient relationships so that a doctor will not, for example, prescribe a course of treatment for a patient which is unnecessary but will be lucrative to the doctor, but in these cases it would seem that professional ethical standards reinforced by codes of conduct backed up by sanctions and the ever-present threat of malpractice suits could provide as much protection as necessary from those who might abuse a commercial health care system. The only case which now seems to be analogous to the blood transfusion case before the discovery of ways of screening for the SH/Australia antigen would seem to be the cryobanking of human sperm. The problem here has been posed by M S Frankel in the *Journal of Medical Ethics*.²⁴ Other than this kind of case, however, it is very difficult to see how the argument about trust can be generalized from the case of blood donation where, as we have seen, its force is now open to serious questioning.

The separation of men through the cash nexus

However, at the heart of Titmuss' advocacy of the restriction of the market so that it plays no part in the distribution of medical care is an argument about integration. In Titmuss' view the market is individualistic and atomistic; it alienates, it divides, it

separates one man from another through the cash nexus. Men meet only as buyers and sellers of commodities, not as fellow men. The sphere of social policy in his view, following Boulding, should be seen as the sphere of fraternity, cooperation and community. Arrow comments on Titmuss' flesh-creeching account of the operation of the market in the following terms:

'The picture of a society run exclusively on the basis of exchange has long haunted sensitive observers, especially from the earliest days of capitalist domination. The ideas of community and social cohesion are counterposed to a drastically reduced society in which individuals meet only as buyers and sellers of commodities.'²⁵

The encouragement of personal altruism and a sense of fraternity through the blood-donor system and in the encouragement of institutional altruism through net transfer payments on a unilateral basis from the majority to those in need act as social bonds and as such are quite central to Titmuss' argument. However, in the form in which Titmuss presents his case there are weaknesses. There are cogent arguments in favour of a public service health service which trades off the values of integration and community but they are not to be found in Titmuss.

It is part of Titmuss' argument, at least in the specific case of the blood transfusion services, that the gift of blood to a stranger helps to strengthen the bonds of communal life and fraternity – two very important but not overriding values. But what is not clear is how the gift of blood is held to promote this kind of social integration and yet Titmuss clearly argues that it does. If giving freely to unnamed recipients is eroded by commercialism men may say: 'I need no longer experience or suffer from a sense of responsibility or sin in not giving to my neighbour then the consequences are likely to be socially pervasive. There is nothing permanent about the expression of reciprocity. If the bonds of community giving are broken the result is not a state of value neutrality. The vacuum is likely to be filled by hostility and social conflict'.²⁶

One may well have some sympathy with A J Culyer, one of Titmuss' bitterest critics, at this point:

'Rarely can such a prophesy of doom have been derived from so modest a sociological theory. Even more remarkable is this Boanerges's invitation to believe that such are the consequences of paying blood donors.'²⁷

Certainly if the argument at this point is confined to the case of giving blood, Titmuss' integrationist argument is very weak. This is so for two reasons. The first is the low number of blood donors relative to the general population – 1 500 000 out of a population well over 50 000 000 – and in the light of these figures it must be the case that the actual integrative effect that the blood-donor system plays

in ensuring the cohesion of society must be very small. Secondly, in the case of the gift of blood it is a very remote and impersonal kind of fraternity. It is a gift relationship between individuals who remain anonymous. After giving blood one may have a sense of fraternity or fellow feeling, but with no one in particular, and this seems an odd way of strengthening community. As Arrow argues:

'Indeed there is something of a paradox in Titmuss' philosophy. He is especially interested in the expression of impersonal altruism. It is not the richness of family relationships or the close ties of a small community which he wishes to promote. It is rather a diffuse expression of confidence by individuals in the workings of society as a whole. But such an expression of impersonal altruism is as far removed from the feelings of personal interaction as any market place.'²⁸

The provision of health care as a means of integration in society

Surely fraternity implies a close personal relationship between specific people. Confined to the case of blood donation it seems that Titmuss' integrationist argument is rather implausible, but if it is generalized to cover health care generally it gains in plausibility. Titmuss regards something like the National Health Service as a whole, not just the blood transfusion service, as an institutional form of altruistic transfer in which goods, services and money are given on the basis of unilateral transfer to those in need and as such he would claim that this kind of approach fosters a sense of the integration of society. As he argued in an earlier work:

'All collectively provided resources are deliberately designed to meet certain socially recognised needs; they are manifestations first of societies' will to survive as an organic whole, and secondly, of the expressed wish of all the people to assist the survival of some people.'²⁹

As such, health care as a collectively provided resource encourages this sense of social integration and institutionalizes altruism. This may be so but we cannot reach this position by merely extrapolating from the case of the gift of blood and the integrationist argument must seek some firmer basis. In addition it has come to terms with the view propounded by theorists both on the right and the left of the political spectrum that collective resources such as health care do not embody a sense of altruism or fraternity but serve other values. On the right, Buchanan and Tullock in *The Calculus of Consent*³¹ interpret what Titmuss sees as altruistic unilateral transfers as forms of income insurance. If an individual recognizes that at any particular time in his earning life the marginal utility of his income will decline as more is received, he will come to see that over a succession of periods of time his total utility function could be increased if he could

make some arrangement of exchange through time, that is to say, if some institution could be envisaged which would *add* to his income during periods of bad fortune and *subtract* from his income during periods of good fortune and in this way the individual's total utility function over time could be increased. Buchanan and Tullock present the argument in terms of the redistribution of income to the worst off but the argument would apply equally well to the case of collective action in the case of the distribution of health care to these in need:

'By such considerations as these, the individual may be led to examine the prospects of collectivising the redistribution of income to the extent that is indicated to be rational by his utility function. In order to prevent the possibility of his falling into dire poverty in some unpredictable periods in the future the individual may consider collective organization which will effectively force him to contribute real income during periods of relative affluence. Such collective redistribution of real income among individuals viewed as working out this sort of income insurance plan may appear rational to the utility maximizing individual at the stage of constitutional decision.'³²

On this kind of view, the unilateral transfers, which Titmuss sees as falsifying the picture of economic man in the market maximizing his utilities on an individualistic basis, is interpreted in terms of precisely those postulates which the argument of *The Gift Relationship* is designed to combat.

On the opposite side of the political fence Marxists have argued that the collective provision of welfare and health goods and care should not be seen as the consequences of fraternity and altruism in human relationships but as an attempt to transfer goods and money to those who would otherwise be so deprived as to constitute a grave threat to the established society and its particular structure of class domination. This would be the shock-absorber, palliative view of the welfare state advocated by John Saville in his influential article 'The welfare state: an historical approach'.³³ Obviously in the light of these two quite different dissenting positions, the argument from integration and community requires more backing than Titmuss has in fact given it.

Other views on the integrationist argument

Of course these factors do not exhaust the force of the integrationists' argument in favour of the provision of medical care as a public service as opposed to a marketable commodity but they do cast considerable doubt on Titmuss' own deployment of the argument. Among contemporary political theorists Brian Barry in his *Political Argument*³⁴ has deployed the argument about integration in the context of health care most cogently. He argues that there are three possible justifications in invoking the integrationist argument

in defence of the public provision of medical care:³⁵
 1) that it is conducive to economic efficiency;
 2) that it is conducive to social and political stability; and
 3) that it is conducive to the protection of the poorer and less powerful sections of the community.³⁶

In this book Barry argues that a stratified society will allow positions of power to be occupied by those who are comfortably situated already, and have everything to lose from change, while keeping out those with more intelligence and drive. Secondly it is arguable that a community within which different groups have an entirely different way of life with different institutions to take care of every contingency from birth to death is liable to serious splits to heal which there will be no shared experiences and standards. Finally Barry argues that so long as those with money can buy exemption from the common lot, for example in the case of medical care, the rulers and the dominant groups in society have very little motive for making sure that public facilities are of good quality. On grounds such as these, rather than vague appeals to fellowship and altruism, Barry believes that the integrationist argument, so central to Titmuss' thesis, can be made to work. However, it is not at all clear that Barry's arguments are all that powerful and this is so in two senses. First of all his particular deployments of the argument from integration may be met and secondly and more generally there are major problems about the whole integrationist approach, particularly in relation to the value of personal freedom.

So far as Barry's last argument is concerned, namely, that the better off who are likely to be in positions of power will have no incentive to improve conditions in the public sector from which they can purchase exemption, it is arguable that this is not in fact the case. As H B Acton argues in *The Moral of Markets* in a society in which the free market has scope, the better off tend to pioneer various types of consumption which are then made available to larger sections of the population. This argument, which derives from Hayek's *The Constitution of Liberty*, may well also apply to welfare as well as to paradigm consumption goods. Certainly in Great Britain progressive education has often been pioneered in the private sector, as Dartington Hall and Summerhill schools bear out, and the same may be true of medical care. Whether it is true or not is an empirical issue and the integrationist argument will have to stand the prospect of empirical falsification and cannot be justified on merely *a priori* grounds. As far as the argument about a common culture is concerned, that is to say the shared life experiences which will ensure social and political stability, it is again not clear that public provision of welfare goods, including medical care, is likely to ensure this kind of stability. It is arguable that all known examples of socialist societies in which this

kind of distribution is made are as marked by hierarchy as much as are societies which depend on the market for the distribution of health care, education, etc. Indeed, it is at this point that some of the more general dissatisfaction with the appeal to integrationist arguments comes out, namely that the relation between the appeal to the undoubted value of integration and community is inherently ambiguous, and many theorists have noted the threat which the appeal may pose to personal liberty.³⁸ Indeed fraternity or a sense of community has played a far smaller role in the liberal democratic tradition than have the values of equality and personal liberty.³⁹ This is an important point which has been made by two commentators in their discussion of Titmuss' views on the role of both the personalized gift relationship in blood donation and institutionalized altruism in the case of the net transfer of funds from the majority to those in need in fostering a sense of social cohesion and community. The point is clearly made by Arrow when he argues in *Gifts and Exchanges*:

'The *Gemeinschaft*, *Gesellschaft* dichotomy can be couched in different language; Maine spoke of the difference between status and contract. It is very easy indeed for community to slip over into status.'

The same point is made by Lafitte in his review of *The Gift Relationship* in *The Journal of Social Policy* in 1971. Clearly integration, community and social cohesion are values, as are personal freedom and some degree of pluralism. What is needed is some way of ordering the appeal to these values. The appeal to community *can* threaten personal freedom⁴⁰ and we have already seen how deeply ambiguous Titmuss' own attitude was to the issue of freedom, an attitude which Culyer not unjustly in terms of the text of *The Gift Relationship* described as 'coercive'. In the second part of this paper I hope to show that what is needed in talking about the distribution of health care is not so much an appeal either to integration or to personal liberty, or for that matter to the alleged peculiar character of health care when considered as an economic commodity, but rather an appeal to the principle of social justice, and I hope to show that such an appeal if understood in the Rawlsian sense will enable adequate attention to be paid and appropriate place to be given to both integration and personal freedom. However, before proceeding to this discussion it is necessary first to take up the second way of asking the question which I posed on page 167, Is health care an economic commodity?

References

- ¹George Allen & Unwin, London 1970.
- ²'Gifts and exchanges' by K Arrow in *Philosophy and Public Affairs*, Volume 4, 1972.
- ³*The Gift Relationship*, op cit p 12.
- ⁴*Ibid* p 158.
- ⁵In *Social Work*, vol 12, 1967. All citations in this essay are to its reprint in *Social Administration*, ed Hill-yard, Murie, Birrell, Roche; Penguin, London 1973.
- ⁶*Ibid*, p 193.
- ⁷'Gifts and Exchanges', op cit, page 5.
- ⁸*The Gift Relationship*, op cit, page 72.
- ⁹For a good statement of this sort of view *vide* H B Acton *The Morals of Markets*, London, Institute of Economic Affairs 1971, particularly chapter IV.
- ¹⁰*The Gift Relationship*, op cit, page 239.
- ¹¹*Ibid* p 242, cf page 224.
- ¹²*Ibid* p 239, cf page 242.
- ¹³*Ibid* p 239.
- ¹⁴*Ibid* p 161, cf. 163.
- ¹⁵*Ibid* p 163.
- ¹⁶*Vide* pp 242, 243.
- ¹⁷In *Gifts and Exchanges*, op cit
- ¹⁸'Altruism and Commerce' in *Philosophy and Public Affairs* vol 2, no 3, p 18, 1973
- ¹⁹In *The Economics of Charity*, Institute of Economic Affairs London, 1973.
- ²⁰*British Journal of Hospital Medicine* 1971, 5, 269.
- ²¹*Vide* the discussion on page 24 ff.
- ²²'Blood donation and the Australia antigen', in *The Economics of Charity*, op cit pp 183-4.
- ²³*Ibid* p 189
- ²⁴Vol 1, no 1, 1975, pp 36-8.
- ²⁵'Gifts and Exchanges', op cit
- ²⁶*The Gift Relationship*, op cit, p 242.
- ²⁷In 'Quids without quos - A praxeological approach' in *The Economics of Charity*, op cit, p 48.
- ²⁸'Gifts and Exchanges', op cit
- ²⁹*The Gift Relationship*, op cit, p 242.
- ³⁰*Essays on the Welfare State*, p 12, George Allen & Unwin, London, 1958.
- ³¹*The Calculus of Consent*, University of Michigan, Ann Arbor, 1965.
- ³²*Ibid* p 193.
- ³³*The New Reasoner* no 3.
- ³⁴London 1965.
- ³⁵*Ibid* p 134.
- ³⁶*Ibid* p 134.
- ³⁷In *Community and Ideology*, Routledge and Kegan Paul, London, 1974.
- ³⁸*Vide* C A R Crosland, *The Conservative Enemy*, Jonathan Cape, London, 1963.
- ³⁹*Vide* J Rawls, *A Theory of Justice*, p 105, The Clarendon Press, Oxford, 1972.
- ⁴⁰*Vide* R Dahrendorf, *Society and Democracy in Germany*, Wiedenfeld and Nicholson, London, 1968, and R Plant, *Community and Ideology*, op cit, chapter 2.