


# COVID-19 Capitalism: The Profit Motive versus Public Health

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Market incentives in capitalist economies and public health requirements are contradictory. In the COVID-19 pandemic, market-rewarded self-interested behavior has been exposed as a source of mortality and morbidity. Profit-motivated behaviors can keep people from accessing necessities for health thereby harming individuals and possibly damaging population health. The profit motive can also undermine healthcare system capacity by maldistributing goods that are inputs to healthcare. Furthermore, because profit-seeking is economically rational in capitalism, capitalist imperatives may be incompatible with public health. The ways markets misallocate resources provide a rationale for state responsibility for health, which is a public good.

Responsibility for health, described as—at least potentially and partly—an individual pursuit, per the liberal tradition, remains a key topic for ethicists in public health literature. Critics typically point to social determinants of health and other contextual and structural factors that lie outside of individual control (Holm, 2003; Bell and Green, 2016; Brown *et al.*, 2019; Levy, 2019; MacKay, 2019; Verweij and Dawson, 2019; Cohen *et al.*, 2020). Some discussions pose responsibility for health as lying either with individuals because of their behaviors or with the government because of those circumstances beyond individual control. This individual-versus-state framing obscures the mechanism through which most individuals, directly or not, secure the necessities of life in a capitalist economy: the market. A careful review of markets should inform such discussions; individuals can hardly be responsible for their health if the market system does not provide access to inputs to health.

Markets can misallocate resources for a number of reasons—behavioral, institutional and structural—related to supply and demand. For example, lack of income impedes access to goods and services for those unable to pay for, or in economic language, to effectively demand, the necessary commodities in the marketplace (Holm, 2003; Cohen and Rodgers, 2020). As Verweij and Dawson (2019) note, within-population inequalities offer justice-based reasons for the state to take responsibility for health. Another reason to look closely at

markets is the profit motive, a supply-side behavioral force, which provides a different rationale for de-individualizing responsibility for health in capitalist economies. I argue that profit-motivated behaviors keep individuals from accessing necessities and undermine public health and health systems as demonstrated during the COVID-19 pandemic. Furthermore, because such behavior is economically rational in capitalism, capitalist imperatives may be incompatible with public health (Smith, 1776).

In times of crisis, such as the COVID-19 pandemic, it can be tempting to view price-gougers, hoarders and those who violate quarantine orders as self-interested jerks, with antisocial or even sociopathic behavior. However, focusing on individual ‘rule-breakers’ elides social and economic context (Roy, 2017)—capitalism incentivizes profit-seeking at significant cost to public health. These people are not rule-breakers; their behavior is consistent with capitalist logic.

Antisocial entrepreneurialism occurs at all levels: from a student charging classmates for single-squirts of hand-sanitizer (Harvey, 2020), to people stockpiling and unapologetically reselling cleaning wipes on Craigslist and Facebook marketplace (Tiffany, 2020), to drug companies jacking up prices for medications like insulin (Thomas, 2019).

In the USA, the federal government failed to take responsibility for regulations, leaving a void to be filled by private entities, some of which enacted more ethical

policies than government itself. Amazon and eBay swiftly banned secondhand sales of hand-sanitizer and bleach wipes, noting that such sales were in violation of policies related to fair pricing (Terlep, 2020; Tiffany, 2020). eBay cited its ‘disaster and tragedy’ policy, which prohibits attempting ‘to profit from human tragedy or suffering’ (eBay, n.d.). Meanwhile, there seems to be little political will to stop \$500 EpiPens at the governmental level.

The prescriptive profit-seeking behavior incumbent to capitalism that is lauded in other times exists in tension with the cooperation required during crises. Ambiguity around whether to applaud or punish profit-seeking behavior is demonstrated in the case of the student, whose ‘dad was calling him up to let him know he’s a “legend”’ (Harvey, 2020). A commenter on the story wrote, ‘Give him ten years he’ll be a great businessman who understands supply and demand’. In the same moment that people are dying from COVID-19, stores have shortages of hand-sanitizer because of price-gouging. The cognitive dissonance is clear and profit-seeking wins plaudits even as it causes deaths.

Where this behavior is recognized as troubling, it is often reframed in terms of the behavior of a few ‘bad apples’, which shames individuals while concealing the economic structure incentivizing exactly that behavior—among individuals and businesses, including those making pharmaceuticals. It is this economic structure that puts all of us at risk. As one seller says ‘I weighed whether or not this was a moral thing . . . my conclusion was, “If I don’t do this, someone else is going to. That allowed me to do it”’ (Tiffany, 2020).

These stories are not amusing anecdotes about entrepreneurialism. They are about societal values, which the pandemic reveals are gendered and racialized matters of life and death in starker terms than usual. They are more evidence that health is a public good that is too important to be left to the market mechanism (Segall, 2005). Going further, the stories are evidence that capitalism grows capitalists, from children to adults, who seek to profit from human suffering.

The profit motive is at odds with the requirements of public health. Capitalism incentivizes individual gain, while public health requires a slightly more complex understanding of individual and social needs over time. The profit motive undermines healthcare system capacity when, for example, ‘entrepreneurs’ hoard what are effectively inputs to health and healthcare. Entrepreneurial hoarding means that some people cannot take precautions to maintain their health, which has the potential to increase the demand for healthcare. For healthcare workers the relationship is two-fold. When healthcare workers become sick because they do not have

personal protective equipment, they increase demand for care while reducing supply of care. When healthcare workers die, this too reduces healthcare system capacity. The longer-term implications are dire.

The profit motive and public health also present diametrically opposed normative interpretations of behavior. For individuals to behave ‘well’, in public health terms, is for them to *not* undermine the healthcare system, for example, by impeding healthcare workers’ access to personal protective equipment. But to behave economically rationally, then, is to behave ‘poorly’.

Individuals do have the right to behave imperfectly, even in solidaristic settings (Davies and Savulescu, 2019), however, this particular variant of imperfect behavior keeps other individuals—healthcare workers and others—from being able to obtain commodities necessary for health. In effect, like (in)ability-to-pay on the demand side, the profit motive is a supply-side force that can render individuals incapable of responsibility for their health (Levy, 2019).

If health is a public good (nonexcludable), as it arguably is, the ways markets misallocate provide a rationale for state responsibility. The state does not beat out the individual for ethical grounds to take responsibility for health, it beats the market.

## Conflict of Interest

None declared.

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