



ALL THAT GLITTERS IS NOT "MACROECONOMICS"

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INTRODUCTION

Despite many problems, the Report on Macroeconomics and Health is an important document. It re-launches the role of the WHO, which in itself is a good thing, as the WHO is an organisation potentially more independent and democratic than the World Bank.

"Combating disease will be clearest proof of our capacity to construct an authentic global community. There is no justification in the world today for those millions of individuals suffering and dying every year for lack of the \$34 dollars per head necessary to have essential health care services. A world that is just and looks to the future will not allow this tragedy to continue. Governments will follow commitments taken in recent years with what actions are necessary to give dignity, hope and life itself to the poorer and more vulnerable nations of the world. We know that this is possible and we are sure that in the years to come the world will dedicate all its energy to the service of this noble and vital task".

This is the concluding paragraph to the Report "Macroeconomics and Health: Investing in Health for Economic Development", published by the WHO on 20 December 2001. Full marks go to Gro Harlem Brundtland for her attempt at restoring visibility to the WHO, which has been obscured recently by a colourless World Bank. She has started by evening Primary Health Care and gone on with an important, even if controversial, Annual Report on the performance of health care systems which is stimulating new and hopefully productive discussion of international public health care.

COSTS AND LIVES

We can only agree with those conclusions, even if we might be just a little skeptical to see them just as good intentions. The estimates by a group of some of the best minds in the world are probably right too, showing how much must be invested in health care in order to avoid daily tragedies. The Report estimates that by 2010 it will be possible to save 8 million lives a year, mainly in low-income countries, by means of a packet of essential interventions against infectious diseases and under-nutrition. The cost of these interventions would amount to \$57 bn. in 2007 and \$94bn in 2015; the calculations are based on an estimate of \$34 per person per year (the rich countries at the moment spend around \$2,000 per person per year).

Low-income countries would contribute \$35 bn. and \$63 bn. a year, in 2007 and 2015 respectively (the intermediate values in the remaining years), increasing their present health care budgets progressively by 1-2% a year. The remaining \$22 bn. and 31 bn. dollars would have to be donated by the governments of the rich countries; this aid would go mainly to the poorer countries; above all Sub-Saharan Africa, because the other low-income countries are already close to, or have gone over, the figure of \$34 per person per year. In 2001, total aid for development was around \$54 bn. per year; of these, around \$6 bn. were set aside for health care. So it is a case of multiplying this sum by 4-5 in 6-14 years.

Such an outlay is obviously possible. Let us remember that the United States alone allocated \$20 bn. for the war and another \$15 bn. in support of airlines immediately after 11 September 2001. Whether this is politically likely, it is up to the reader to judge. What I wish to comment is the approach taken by the writers of the Report on some specific points.

ECONOMIC GROWTH OR DEVELOPMENT?

Let us start with the title. Development is by definition "economic". We shall not call it development but economic growth, development being something quite different. We always fear that economic growth will end up by benefiting only some people and that the increase of the GNP estimated by the writers of the report as a consequence of greater investment in health care (\$563 more per person per year in 2015 in respect of the average levels of low-income countries) will be badly distributed, if not actually a result, at least in part, of the thirst for profits of the multinational. And in health care, "you invest", that is the point, almost as if it were the Wall Street Stock Exchange. The Report begins from a utilitarian vision of health care: if we are in better health, we save money and produce more. Or from a preoccupation: "disease brings instability to poor countries, an instability that rebounds on to rich countries". Only a mention to health as a right and a good ("The importance of health in its own right cannot be overstressed"), en passant, in the first lines, but defined more as "a basic capability that gives life value" (Amartya Sen) or "the number one desire of men and women in the world", than a right).

HEALTH AND HEALTH CARE

The Report recognizes that health does not depend just on health care services, but on Agriculture, food, education, water, sanitation, in other words on that set of factors already identified in the Declaration of Alma Ata. So in order to achieve health, the aid set out above is not sufficient (\$22-31 bn. a year between 2007 and 2015), but supplementary aid is necessary for other sectors that have an influence on health. It even recognizes, as does the World Bank with the Poverty Reduction Strategy papers, that the problem that lies at the base of the terrible state of health of a couple of billion people in the world is the extreme poverty. But it then concentrates its attention on intervention packets, (tuberculosis, malaria, HIV/AIDS, vaccinations, frequent child diseases, pregnancy and childbirth, smoke) and uses these to calculate how much money is needed, even while admitting that more money is needed to reinforce the whole health care system and broaden it out (table 11 on p. 70 gives a complete list, without going into the problem of how to tackle list, without going into the problem of how to tackle them): if we do not, we will not be able to offer the packets to users. Déjà vu, as in 1979 and 1993.

POVERTY AND INEQUALITY

The Report, as already said, certainly could not ignore poverty and inequality as the causes of bad health. But there is no mention in the whole text of the causes of poverty and inequality, even less, possible policies for tackling them (except for brief mention of cancelling the debt and for the conditions of women): the solution to these problems lies in PRSPs (Poverty Reduction Strategy Papers), the critical aspects of which the Report ignores. The Report does not actually question the more criticisable aspects of globalization even while supporting the necessity for a policy of differential prices, as the WHO and WTO had already agreed upon in their meeting in Norway, and a special fund for research into drugs and vaccines for the poor, in which the multinationals of the sector are not interested.

In the same line of thought, the Report openly supports Global Funds –ignoring criticism and so the control of how much money to put into specific problems of health (and how to spend it) on the part of the G8 and the World Bank. It could not have been otherwise: Jeffrey Sachs, Professor of International Trade at Harvard who presided over the board that drew up the Report, "has spent most of his career as a consultant for governments on economic development. Argentina, Bolivia, Brazil, Ecuador and the ex-Soviet Union have all had the Sachs treatment" and we all know what came out of that, we might add. Richard Feachem, another important member of the board, for many years responsible of the health care sector of the World Bank, is also known for his favourable attitude to market globalization. And to cap it all, one of the members of the board, apparently (see next point, letter A) coming from a low-income country, is H.E. (the acronym stands for His excellency, and always introduces this person's name in the Report) Supachai Panitchpakdi (how is that pronounced?), once Vice-Prime Minister and Trade Minister of Thailand and –wait for it –yes, General Director of the WTO!

GLOBALIZATION

The Report criticizes few aspects of globalization, which are listed as challenges to be tackled. These are, in order:

- The brain drain from poor countries to rich ones, giving the example of 20 African countries in which 35% of graduates live and work abroad, and the United States and Canada, which recruit doctors from poor countries with publicity campaigns and special terms for visas. The irony of it is that almost all the members of the board that drew up the Report coming from Asian, African and Latin American Universities or for international organisations.
- The need for many governments for low-income countries to reduce taxes so as to compete in a global market where capital and investments move easily from one country to another. The Report does not say that this aspect of globalization contradicts the recommendation to poor countries (see final recommendations) to increase tax entries for health care.
- Globalization is probably increasing the international rate of transmission of diseases. So, and again ironically, while the Report gives advice as to how to diminish DALYs, globalization sees to increasing them.
- Globalization puts local models in jeopardy by replacing them with harmful behaviour patterns, for example in the field of nutrition, but also in other spheres that have influence on health, as also in the patterns of use of health care services themselves. This could also increase DALYs. To face these four challenges and avoid possible negative effects, the Report affirms the need for strong governments, but forgets to say that this globalization is at present weakening these governments (do we have to remember the Argentinean crisis?).

WHY THE REPORT IS IMPORTANT

Despite all these problems, the report is an important document. Not only because it re-launches the role of the WHO, (and that in itself is a good thing, given that the WHO is potentially a more independent and democratic organism than the World Bank). Not only because the report underlines the importance of the public health care sector. But also because the International community's six recommendations, quoted in full below, can be used to put political pressure on the need for greater justice and equity in social and health care systems in poor countries:

- increase tax entries for health care, in the order of 1% of the GNP for 2007 and 2% of the GNP for 2015.
- increase the support of donors to finance the supply of public goods and ensure access for the poor to essential services;
- convert present out-of-pocket costs for health care services into pre-payment schemes, including collective financing programmes supported by the financial budget, where this possible;
- develop the initiative for cancelling the debt, to cover more countries and increasing the quota of the debt remission with the bilateral support of donor countries;
- attempt to face present-day inefficiency in the way in which state resources are assigned and used in the field of health care;
- more generally, re-assign public resources and subsidies to social programmes for the poor.

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- It is worth quoting it in full: "A high child mortality rate has been recently seen, in a study on falls of states between 1960 and 1994, as one of the main factors predicting later collapse of the state (through a coup d'état, civil war and other unconstitutional changes of government). The United States have ended up by having to resort to military intervention in many of those crises. In line with this way of thinking, intelligence studies have stressed the strategic significance of global control of infectious disease, including AIDS". The studies quoted were conducted by the State failure task force and the intelligence service that set up this task force is no other than the Central Intelligence Agency, better known as the CIA. The complete Report, The Global Infectious Disease Threat and its Implications for the United States is available on the site <http://www.cia.gov>.
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