

# Health Sector Reforms: What and Why?

by Dr M Zakir Husain

**Current research is deficient in the consumer perspectives and behaviour in regard to the quality and use of healthcare provided through organisational and institutional reforms.**

There is considerable interest in health sector in developed and developing countries alike although the driving forces differ in intensity and nature.

This interest is partly out of widely appreciated concern that in spite of available health technologies and significant expansion of healthcare facilities in most countries, a significant section of the population in many countries do not have effective access to reasonable healthcare. Health budgets in most countries in the South Asia are under severe strain due to escalation of cost of services and reduction of social sector investments in the wake of structural adjustments. Governments had committed themselves to adopt primary healthcare as the key approach to the attainment of Health for All by the year 2000. Subsequent developments in countries and internationally have proved that the process of reorientation of national health systems was not automatic and hard to implement. International cooperation and solidarity for economic and social development through net transfer of resources to the developing countries were in the context of unabated tensions of the Cold War and economic recessions in developed countries.

While it is not proposed to dwell on the disappointments and shortfalls in achieving the global targets for health for all, it is useful to address the issue of health sector reform. These reforms are felt needs in all countries since there is a failure to assure access to healthcare for the population on an equitable and cost-effective manner. While the need for reforms is greatly felt, there are fiercely-debated issues in the process of health sector reforms.

## What is Health Sector Reform?

It is imperative that any reform process take into account the context of the health sector. A cursory examination would reveal that in many countries:

Scarce resources are used inefficiently without evidence of commensurate health outcome; an inordinate portion of the

health budget is consumed to pay staff salaries and little is actually spent on operating the services.

Funds originally allocated do not necessarily get spent on the health facilities and services located at the primary level, and services at that level are often of poor quality, inconveniently timed and irregular.

Many people in real need do not have effective access to services due to poverty, distance and other social handicaps. Where available, services often are not actually utilised due to inadequate supplies, poorly motivated staff, lack of faith in provided service.

Many are driven to the private sector where costs can be high, quality indifferent and unregulated, and safety not ensured. Unnecessary treatments and procedures are often performed at great cost especially to those who can ill afford.

In view of the present situation, it seems essential that governments allocate adequate resources to health by earmarking a reasonable share of public revenue and ensure that these funds are equitably distributed to get maximum health returns at minimum cost. At one time during the decade of eighties, it was globally estimated that countries would need to invest at least 5 per cent of their GDP (not the annual budget) on health.

The purpose of public sector health investment should be primarily to attain the national health policy objectives and not to maintain status quo of inherited patterns of expenditure. Even if government expenditure rose significantly, it would not necessarily show marked improvement in the availability of services to those who are in most need unless this increase flows into health promotion, disease prevention, and primary care. It will not occur if the same pattern as at present is followed without putting in place the required reforms.

Health sector reforms are essentially directed to defining priorities, adjusting the policies to clear goals and objectives, and changing the structure and function of the health

institutions to translate the reforms. While there is much agreement on the broad content of the reforms, there are real difficulties and obstacles met in the process of effecting the reforms. More often than not, there has been a temptation to make ad hoc and half-hearted steps while the difficult and contentious issues of structure and functions have remained neglected.

## The Limits of Feasibility

Wherever political and economic crises are endemic, there is least likelihood of systematic and appropriate reforms to be conceived and implemented. It is more likely in these situations that ill conceived and "populist", and highly visible remedies will be sought and found usually by putting up specific personnel issues and grading of existing institutions without enough regard for the actual need. Diversion of already limited resources to these ventures merely starve the existing institutions even more and which could operate more efficiently and effectively with additional resource inputs. This may not only perpetuate existing anomalies between primary care and other levels but also increase the financial burden without assuring corresponding benefits.

Without firm political support, no reform will take hold and sustain for long. The tendency to address programmatic and specific personnel issues and not systemic (health system wide) issues should be avoided. The political process is, no doubt, very important but it should be courageously and rationally pursued on the basis of critical analysis. Thus, it is essential that the reform process and contents receive support from detailed analysis of the health system and the determined needs and expectations of the people as well. The reform process must get broad-based support and ideally

should withstand change of governments over time.

An additional consideration of feasibility relates to the scope of reforms desired. Reforms in the health care system, by definition, is somewhat limited in scope compared to reforms in the health system as a whole. The first concerns the conventionally known health sector itself with its institutions, organisation, programmes and instruments of monitoring and evaluation. The second i.e. health system reform takes into its orbit the improvement of the health status of people.

Admittedly, the latter is a more comprehensive approach but is also more difficult one as it involves many more sectors whose objectives and interest may not be convergent to those of health. The policy imperatives of certain sectors may sometimes be in conflict with those of the health sector. Suffice it to say that perhaps it would be more convenient and expedient to implement the reforms within the health sector first in order to serve broad health policy objectives, and only then to find means and mechanisms to incorporate health objectives in public policies maximising those that favour health and minimising those that adversely affect health.

## A Continuous Process

Health reforms should be continuously monitored and evaluated for the effects of specific organisational and institutional reforms are not necessarily those that were originally intended. At the planning stage of reforms certain changes may be predicted, but the unintended consequences need to be identified by a monitoring process in order to effect modifications during the ongoing process of reforms.

One common tendency observed is to introduce ad hoc reforms such as user charges

without putting in place the required managerial apparatus or assessing the benefit related to cost. In most poor countries, however, introduction of user charges even if modest has resulted in marked lowering of attendance and use by the poor. On the other hand, user charges combined with improved quality of care might even increase utilisation by the poor.

There are several levels where reforms are considered. These include organisation, institution, financing, and systems as alluded to earlier. It is imperative that reforms are introduced at all these levels albeit in different facets as feasibility and the process does not become a single shot affair when it will lose momentum.

There is a great paucity of valid research information on the experience with many aspects and components of health sector reforms. Considerable debate on the actual effect of some institutional reforms on the actual efficacy and effectiveness persists. Current research is deficient in the consumer perspectives and be-

haviour in regard to the quality and use of healthcare provided through organisational and institutional reforms. Information on epidemiology, economy, and demography together with data on behaviour and perception of the consumer should be collected and fed into the reform monitoring and evaluation.

An interesting question relates to the personnel in the health sector being outside the civil service structure. Many consider health service as one with many unique characteristics and demands that are not the case with most other sectors. The sector's distinctness also arises from the fact it offers a service about which the receiver is so little informed of.

The average healthcare consumer has little factual knowledge of the need or quality of care given. The healthcare personnel need a strong sense of commitment, integrity, and ethical standards. Therefore, the managers of health service may require a larger measure of autonomy and accountability under contractual arrangements with autonomous local

government or independent health boards.

Human resources represent the costliest resource in the health sector. The cost of preparing a medical doctor can be tenfold or more than that of a nurse or technician. In spite of this, long-term and serious human resources development planning has been conspicuous by its absence. Seldom has there been operations research to study alternative mixes of staff at different facilities with diverse range of services and outputs of care. The staffing patterns are taken for granted and the possibility of wasteful and inefficient use of costly human resources but inappropriate use of skills and knowledge are not questioned. There are reasonable tools available for human resources planning on a long-term basis with tools for alternate projections of requirement and supply of various categories, and differential staffing according to real needs and load of service.

## Conclusion

It would be naive to assume there can be universal blueprint for the why and what of health sector reforms.

It would seem more practical to start with reforms within the health sector before moving into health-friendly public policies and sectoral activities. Sector reforms may be

grouped in four levels such as: institutional, organisational, systemic, and information support. But there could well be other classification approach. What is more important is to move with reforms in a pragmatic and opportunistic manner, assess the outcome and efficacy on a continuing basis through close monitoring and evaluation.

Reform process is perhaps more important than the contents per se, for it is in the process that resistance from entrenched interests will be high; there is need for a broad consensus to sustain an enduring reforms process and products. Bi-partisan agreement and wide understanding are essential.

There are unique requirements and sensitivities in the planning and delivery of healthcare which is not a mere service or commodity in the ordinary sense of these terms. Innovative reform actions might give breakthrough otherwise unattainable.

Healthcare financing reforms are particularly pressing and a temptation to start off with piecemeal reform would have to be resisted and await detailed and careful study of the consequences upon utilisation, quality, efficiency and equity.

The writer is former Director of Programme Management at WHO South East Asia Regional Office in New Delhi.

# ILO Wants to Revitalise its Role

by Mesbahuddin Ahmed

THE 85th session of International Labour Conference of ILO is being held in Geneva from 3rd June. In the history of our time this is an important event. The report of the Director-General of ILO is supposed to be very controversial and at the same time very radical and new initiative of ILO will unleash lots of debate on it.

The report is on a variety of issues which will be closely watched in the coming years, after the globalisation of economy and liberalisation of trade. This is a new and fresh attempt of ILO to reconcile the issues of international trade and protect the labour rights. The Director-General has urged the Organisation's 174 member States to examine the new measures designed to ensure that 'social progress' and 'human conditions' proceed apace with trade liberalisation in the globalising world economy. Mentioning social progress as 'indispensable to the consolidation of the multilateral system' ILO Director-General Michel Hansenne said that while the globalisation of the world economy can be 'an unequalled factor of progress and peace, it cannot be left to its own devices'. The liberalisation of trade, he warned in a major policy statement addressed to the International Labour Conference, 'must go hand-in-hand with social progress' and 'there must be evidence that its promises are not vain or illusory'.

He proposed some measures to deal with new emerging phenomena and issues. The report sets out his vision of a revitalised system of international labour standards. These are universal respect for fundamental human rights in the workplace as defined in the seven core conventions of the ILO: Freedom of association and collective bargaining, forced labour, non-discrimination in respect of gender and race, minimum age for work.

There should not be any dispute about the above among the ILO's member States. Controversies and dispute will be in an

other proposition, that ILO wants to have a solemn 'declaration', to be adopted in 1998, complementing the ILO Constitution, by providing for strengthened supervisory mechanisms to promote these principles and monitor universal compliance. That would make the core principles binding on all members, regardless of whether or not they have ratified specific conventions. ILO wants to make sure that all member countries respect the core ILO standards and do not escape by simply not ratifying certain ILO conventions. Under the proposed system ILO would give certificate of social label, approval to countries those can prove they are respecting fundamental labour rights and freedoms.

Already India and some other countries have announced they would not support any kind of supervisory mechanisms of ILO. Because they think that these will go against them. Developed countries will get some excuses to control the import from developing countries. They doubt these will be used as tariff against developing countries by developed countries.

With varying degrees of willingness or reluctance, most government in the developing world have accepted the structural adjustment policies pressed by the World Bank and IMF. It seems industrialists and businessmen in these countries have generally been quite enthusiastic in welcoming the World Bank recommendations of globalisation, liberalisation, privatisation, marketisation, free market, lower taxation etc.

But workers and their organisations in most developing countries generally view the WB-IMF 'prescriptions' as a threat to their job, wages and bargaining strength. There were fights and resistance particularly from the workers in the organised sector in many developing countries against these policies, for closure of many industries, causing un-

employment of workers and also against privatisation.

In World Development Report, 1995, the WB claimed, such adverse situation is temporary but soon economic growth would be faster, employment and wages would recover, economic disparities would be reduced. In a recently held tripartite meeting of workers, employers and government organised by ILO-Dhaka office in Dhaka to review the report of the Director-General of the ILO, 'Standard Setting and Globalization', the workers' group said that one had to take the promise for the future in World Development Report mostly on faith. The report did not explain why many countries in Latin America which accepted WB-IMF 'prescription', could not recover from its adverse situation. Brazil is the most quoted example of this. Though in the case of Brazil, the roots of the future to transform the quality of life despite economic growth lies partly in the low and uneven development of the social sector.

In Bangladesh, the neglect of the social sector is even greater. It restrains even the overall pace of economic development. But more important, it makes the process of economic expansion unequal and non-participatory. Why many industrialised countries whose economies have been market-based all along are developing at snail's pace? Workers argued in the tripartite meeting: Resistance and repression is common feature if workers try to organise and form trade union in privately owned industries and establishments. Workers pointed out and cited examples of garment industries, where workers cannot form trade union for opposition of employer. They were sceptical about ILO Director-General's proposal and expressed doubt how far these measures could be effective but supported the move as something better than not at all. But they raised caution that these should not be used as any

kind of restriction against developing countries' products and services.

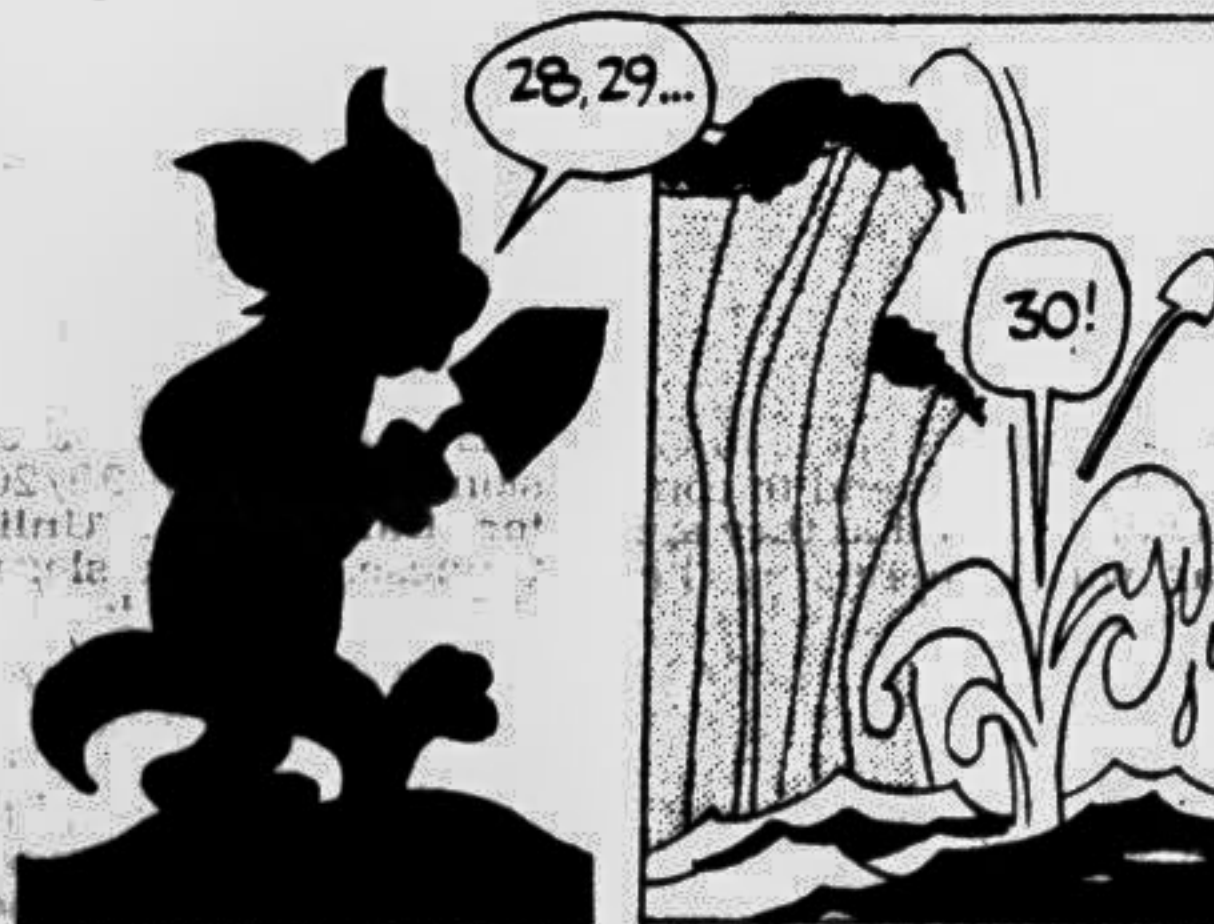
It is well understood why trade unions will appreciate ILO's Director-General's proposal. But one can easily assume that governments and employers of developing world will look at it differently. They might see the proposal of social labeling as something to bring back the trade-labour link issue again after the failure in WTO ministerial meeting.

International Confederation of Labour (ICFTU) has been demanding to link trade with working condition in social clause of the World Trade Organisation charter. World Federation of Trade Unions (WFTU) has been asking the governments to 'positively consider the demands of the trade union movement to deal with all the negative consequences of these programmes as imposed by the World Bank and the International Monetary Fund.'

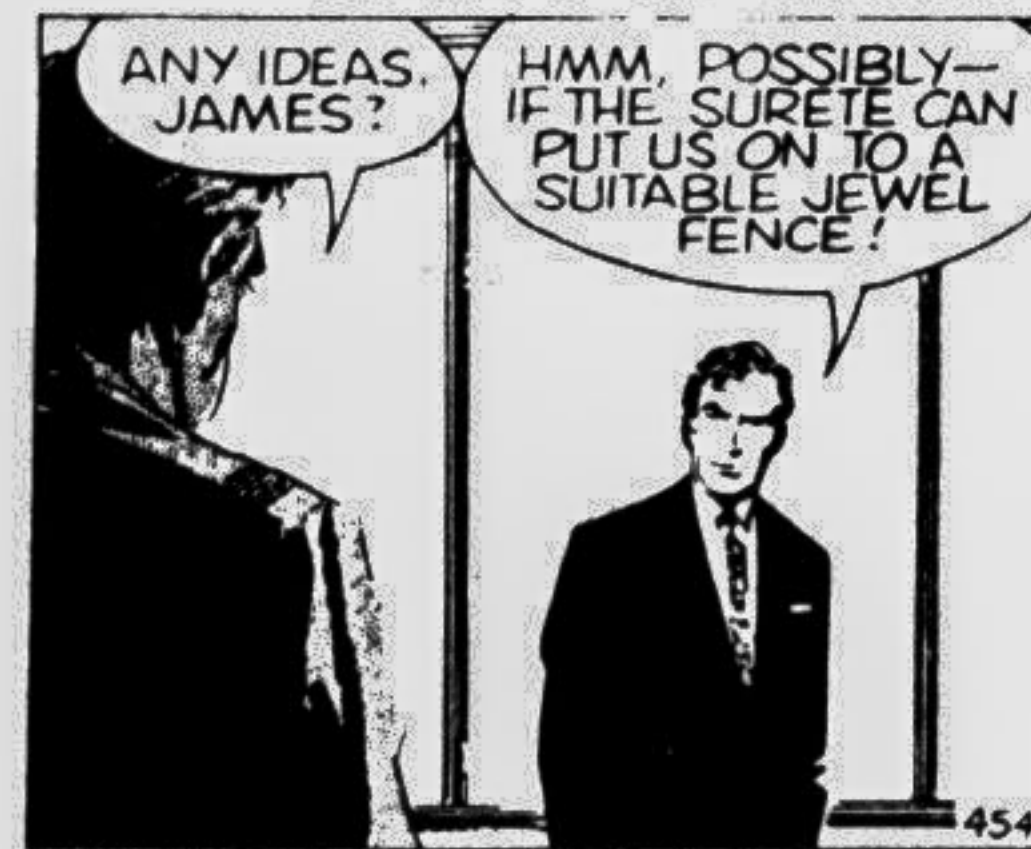
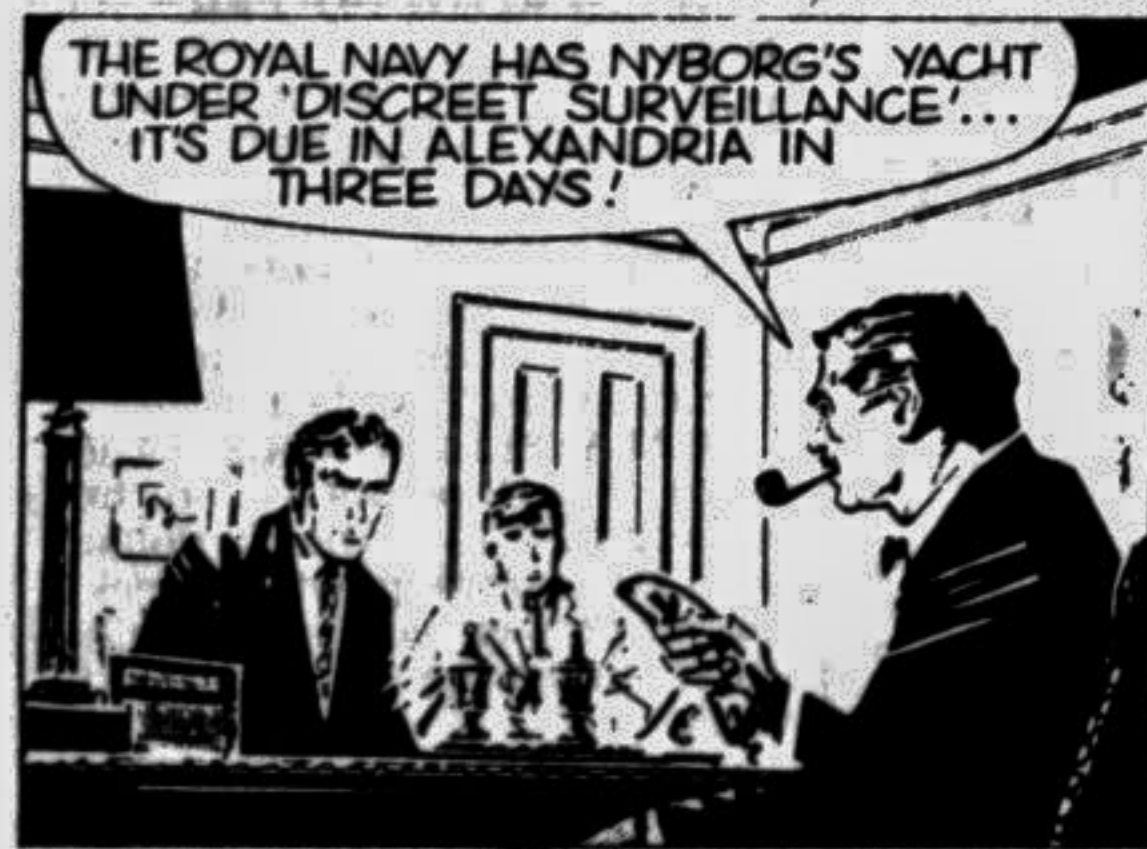
In WTO meeting last December, 1996, in Singapore the developing world opposed the idea of including 'Social Clause' to link trade with working conditions, labour rights and labour standard. This attempt was viewed as simply protectionism of the West. Complaints of unfair competition have been voiced, many times both in Europe and the USA against developing countries. The low wages in the developing world give them an 'unfair' advantage. To get relief from the pressure created by West, WTO finally agreed by adopting resolution that it was best to let the ILO deal with the matter. In the light of the present situation it will be prudent to examine the ILO's proposal positively. Examples are there at home, when our garments industries were under threat on child labour issue, it is ILO-Dhaka office which mediated, took initiative, and co-operated with BGMEA to withdraw child labour from the industry and managed to reach an agreement between BGMEA and US Government.

The writer is General Secretary of Jatiyo Samrak Jote

## Tom and Jerry



## James Bond



# Metropolitan



Group photograph of the participants of the workshop on Share Market sponsored by Rapport Bangladesh Limited recently at Sonargaon Hotel and Panda Garden.

## Obituary

By Staff Correspondent

Alhaj Abdul Jabbar, a former joint commissioner of Taxes died yesterday at his residence in the city, according to a press release.

Jabbar who died at the age of 93 is survived by his widow, two sons, four daughters a number of grandchildren.

Mizanur Rahman, a former Commissioner of Taxes and L K Siddiky, MP and a former minister are his sons-in-law. The deceased will be buried tomorrow afternoon at his family graveyard at Lohagaon, Chittagong.

Former joint secretary M Abdul Bari died in the city on Monday (June 9) due to old-age ailments. He was 73, reports BSS.

The body of Bari was buried at the Banani Graveyard Monday.

## Obituary reference

at JS

Parliament yesterday expressed deep shock at the death of some eminent personalities of the country and for those who lost their lives in a severe cyclone last month, reports UNB.

In an obituary reference, moved by Speaker Humayun Rasheed Chowdhury, the House condoned the deaths and conveyed sympathy to the members of the bereaved families.

The eminent personalities who passed away included former minister and MP Mirza Ruhul Amin, former MP and Awami League leader Advocate Sirajul Islam, member of the former East Pakistan Provincial Assembly SW Lakitullah and member of the former East Pakistan Provincial Assembly Alhaj Soyful Alam.

## Workshop on Share market concludes

A two day Workshop on Share Market was held on June 8 and 9, at Sonargaon Hotel and Panda Garden Restaurant. The workshop was inaugurated on June 8, at Sonargaon Hotel, says a press release.

It was mainly conducted by two eminent trainers from India, A P Roy Chowdhury and Rajiv Bose. Dr A K M Shahab Alam also conducted one session. Thirty-five senior level managers from 30 companies participated in the workshop. The participating companies were: Al Baraka Bank Bangladesh Limited, Appollo Group of Industries, Arab-Bangladesh Bank Limited, Bangladesh Bank, Bangladesh Chemical Industries Corporation, Bangladesh Shilpa Rin Sangstha, Bangladesh Thai Aluminium Limited, Bank of Small Industries, Commerce Bangladesh Limited (BASICO), Beximco Group, Dhaka Bank, Delta Life Insurance Company Limited, East Coast Group of Companies, International Finance Investment and Commerce Bank Limited (IFIC), Investment Corporation of Bangladesh (ICB), National Bank Limited, Padma Textile Mills Limited, Phoenix Leasing Company Limited, PIMCO Instruments Limited, Prime Bank Limited, Pubali Bank Limited, Rahimafrooz (Bangladesh) Limited, Rupali Bank Limited, Saudi-Bangladesh Industrial & Agricultural Investment Company Limited (SABINCO), Sonali Bank, Titas Gas Transmission & Distribution Company Limited, Usmania Glass Sheet Factory Limited, Uttara Bank Limited and Janata Bank.

## Team leaves for Hanoi to attend confce

A 15-member delegation of the Bangladesh-Cuba Friendship and Solidarity Association left for Hanoi yesterday to attend the second Asia-Pacific regional conference, reports UNB.

The three-day conference begins in the Vietnamese capital on Thursday.

The conference will be featured by discussion and expressing solidarity of the region's people with the demand for lifting trade embargo on Cuba.

Led by Workers Party of Bangladesh leader Rashed Khan Menon, the delegation included Haider Anwar Khan Juno, general secretary of the association, as its coordinator.

Other members of the team are: Journalist Fayez Ahmed, Left Democratic Front leaders AFM Mahubul Huq and Dilip Barua, dramatist Mamunur Rashid, Mahila Parishad leader Rekha Chowdhury, association leader Sultana Rebu, CPB's Kaliranjan Shil, Prof Moloy Bhoomik, Mujtahid Waren Hossain Beial, and Wahed Jajgirder.

## Birmingham City Council Executive meets DU Pro-VC

M Murray, Head of International Links, Birmingham City Council, UK, called on Pro-Vice Chancellor of Dhaka University Professor Shahid Uddin Ahmad Monday at the latter's office, said a press release.

During the meeting they discussed matters of mutual interest specially about linkage programmes on higher education in Public Administration.

## '3,500 Bangladeshi students studying in US'

By JU Correspondent

John Kincannon, director of the USIS at Dhaka, said at least 3500 students from Bangladesh are now studying in America while some 21000 students came to the USIS for taking counsel.

He was delivering a lecture on "Study in America" at the English Department of Jahangirnagar University (JU) on Sunday.

Presided over by the Dean of Arts Faculty Prof Khaliquzzaman Elias, the lecture session was attended by the Deputy Director of the USIS Robert Kerr and some teachers of the university.

John Kincannon said he would make arrangements to bring in an American teacher who would take classes at the English Department for about nine months from September next.

Earlier, the USIS director called on the VC of the Jahangirnagar University Prof Amirul Islam Chowdhury, pro-VC Prof Alauddin Ahmed and the Treasurer Prof Abdul Bayes.

## VCs meet Education Minister

Education Minister A S H K Sadique said independent curriculum of the universities hampers inter-varsity curriculum correspondence, reports UNB.

He expressed the view at a meeting with the vice-chancellors of universities at state guest house Padma Monday. The minister stressed the need for an inter-university coordination for making curriculum of the universities more effective.



Employees of the Bangladesh Registration Department and Extra mohar joint action council brought out a procession in the city yesterday in support of their 11-point demand. — Star photo

## Nat'l Sunni Movement condemns Taliban regime

The National Sunni Movement has called upon the international community not to recognise Taliban regime of Afghanistan, reports UNB.

Secretary general of National Sunni Movement Noor-e-Alam in a statement Monday also condemned the Taliban regime for violating human rights through ban on female education and oppression on people in its domain. The movement will bring out a procession in the city today from south gate of Baitul Mukarram Mosque at 10:30 am.

## 1 electrocuted in Rajshahi

RAJSHAHI, June 10: Md Abdul Mutalib, 40, an electrician of PDB, Rajshahi died while repairing an electric transformer at Belderpara crossing this afternoon.

According to sources, two electricians climbed at electric pole to pull down a disordered transformer with help of two bold GI pipe. Suddenly, the GI pipe slipped down and struck on the head of another PDB man. Mutalib was rushed to the Rajshahi Medical College Hospital

## New organisation formed

A new organisation to promote interest in aviation and tourism and improve the quality of reporting on air travel and transportation was formed yesterday.

Named as Aviation Correspondents Association of Bangladesh (ACAB), the organisation elected a seven member executive committee with Alamgir Hussain of Daily Ittefaq as President and Mollah Amjad Hussain of Dainik Bangla Bazar as General Secretary, says a press release.