The Global Crunch and Health: Issue, Threats and Responses

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Why treat people...

...without changing what makes them sick?

Source: www.who.int/social_determinants/en

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Health and Social Justice

Health is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity. The enjoyment of the highest attainable standard of health is one of the fundamental rights of every human being without distinction of race, religion, political belief, economic or social condition (…)”

WHO Constitution, 1946

Art.25.1

“Everyone has the right to a standard of living adequate for the health of himself and of his family, including food, clothing, housing and medical care and necessary social services”

Universal Declaration of Human Rights, 1948
Health and Social Justice

health and illness follow a social gradient: the lower the socioeconomic position, the worse the health.

…the huge and remediable differences in health between and within countries – is a matter of social justice.

Closing the gap in a generation:
Final Report of the Commission on the Social Determinants of Health
Geneva, World Health organization
Economic Crisis and Health

• All countries will be affected, but some will be affected more than the others.
• The economic and social features of society are closely linked to the distribution of health within and between countries
• Employment and working conditions have powerful effects on health equity
• Social determinants of health are directly link to economic conditions
What is our evidence?

• The global financial crisis will increase unemployment

• Global unemployment rate will rise from 5.7% in 2007 to between 6.1% and 7.1% in 2009 - between 18 and 51 million (*ILO, Global employment trends, 2009*)

• Unemployed people had a mortality rate 20% to 25% higher than average for people of the equivalent socioeconomic group (*British study in 1970’s-1980’s: BMJ 2009;338:b1314*)
What is our evidence?

Collapse of the Peruvian Economy: 1987-1990
• GDP per capita fell by 30%
• Inflation increased from 86 to 7,500 per cent
• Real wages in the capital city of Lima fell by 80 percent

Impact on Health:
• Infant mortality rate increased by 2.5 percentage points during the crisis, implying that 17,000 more children died than would have in the absence of the crisis
• Per capita public spending fell by more than 50%

What is our evidence?

Use of basic maternal and child health services by lowest and highest economic quintiles, 60+ countries.

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Use of basic maternal services is lower for those in the lowest economic quantiles, 60+ countries.

What is our evidence?

Under-5 mortality rate is highest in the poorest

Threats

1. Donor Commitments to poor countries may decrease

- Among the major donor nations, only Germany and China currently have reasonable GDP/debt rations

Source: Council on Foreign relations: Article on the G20 Summit, April 6, 2009
Threats

• Donor Commitments

There is already a growing gap in per capita aid from donor countries relative to per capita wealth, 1960–2000.

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Threats

Donor commitments…

• In 2006, 23 countries had more than 30% of total health expenditures were funded by external sources*

• In Ethiopia and Rwanda, more than 50% of government expenditures is funded by donors*

Threats

2. Contraction of government spending on health is a
   - Forces out-of-pocket payment for health care
   - In Asia, health-care payments pushed 2.7% of the total population of 11 low to middle-income countries below the poverty threshold of US1/day.*


**Figure 9.1**: Health-adjusted life expectancy (HALE) and private spending as a % of total health spending in 2000.

Health-adjusted life expectancy (HALE), Decreases as private spending increases

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Threats

3. Rising cost of health systems inputs due to currency devaluation
   • Devaluations increase the cost in local currencies of all imported health expenditures: medicines, medical devices and equipments
Threats

4. Reversal of gains or slowing of achievements in the MDGs

World Bank data show:

1. The economic slowdown pushed more than 100 million people into extreme poverty
2. The number of people suffering permanent cognitive damage due to malnutrition amounted to extra 44 million people in 2008
3. A three percentage decline in the growth rate of developing countries leaves about 60 million people stranded in poverty

Response: A call to Action
Response

1. **Policies can offset the effects of the financial crisis**
   - Policies aimed at financing specific services used by the poor – vaccines, primary health care and nutrition programmes
   - Low cost insurance mechanisms (i.e., 30baht universal coverage of Thailand)
   - Improving donor coordination to increase efficiency and resources
2. Making health spending more effective and efficient

- Pushing for the primary health care approach
- Sustaining support for prevention: getting the balance right between essential curative services and sustaining preventive programmes
Response

3. Collaboration

• Recognize the role of civil society organizations as service providers and advocates

• Multi sectoral approaches to address the broader social and economic determinants of health
Response

4. *Informing policy through better collaboration and research*

- Evidence-based contingency planning
- Monitoring early warning signs
- Using research as a critical tool for developing response
Response

5. Aid for Health

• Aid will be crucial in developing countries for maintaining spending on key services
• Fragmentation between the many different actors and channels must be addressed
"In closing...

“If health is present in every dimension of life, it also implies that risk is everywhere. This has significant consequences for how we frame health policies and where we assign responsibilities for health in society.

Ilona Kickbusch (2007)
Thank you