Health System Reform between Local Needs, National Politics and International Cooperation

A contribution towards global good governance?

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The global good governance challenge

The OECD states that in times of globalization "social ills associated with poverty – disease, illicit migration, environmental degradation, crime, political instability, armed conflict and terrorism – can spread with greater ease across borders and continents." The more we are confronted with such evidence, the more we are reminded of our idealistic or even utopian ideas that development policy should be a special case of good governance and stewardship at the local, national and international level. Social justice was on the agenda, along with international understanding, peace, and poverty reduction. The recent interest in good governance and stewardship pinpoints at this very issue that development policy should be somewhat different from other policies – as we understand it and read it from corporate, national and international declarations at the turn of the millennium. There are two factors that could contribute that these eternal values and the actual political declarations do not remain just ideas and papers:

- Cross-national organizations like Greenpeace, Transparency International, are an offspring of ethically driven people organizing assistance to public goods and resistance to the public "bads" of globalization.
- Corporate quality management programs acknowledge the importance of their own social responsibility and of public opinion for being able to sell their products not just economically but also ethically.

My hypothesis: it is possible that international cooperation can foster good national and local governance for the benefit of the poor. In partnership with these two developments we can turn this possibility into probabilities.

Local needs

Development policy has very special catchwords: target groups and local needs. The proof of good governance and good management lies in the contribution of policies, programs and projects to meet the needs of human beings. How did we try to identify the local needs as a starting point for our endeavours to influence a health systems reform and to back up good governance in the Philippines and in Guatemala – experiences that I would like to share with you in this article.

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My job in the **Philippines** was to contribute to good management in the Ministry of Health by means of information systems. When I started I was reminded of the Russian saying: stupid people teach, smart people listen and learn. In a country like the Philippines with more than 80 million people there should be local managers who know much better than we in the Ministry or GTZ what the local needs of people were. We rather should discover good management and see what we can learn from it – good governance at the local level. We organized national contests of ongoing projects, programs and policies that were claimed to be excellent in terms of effectiveness, efficiency, equity, sustainability, innovativeness and technical quality. Until I left - the presidents of the Philippines awarded 160 outstanding projects and their managers or guiding stars – mostly women – and we could learn our lessons on what local needs and good management is. Good management discovers untapped resources, mobilizes human and intellectual resources, combines divergent resource patterns and reconfirms productivity gains through self-organization. Examples of the most pressing local needs as perceived by the best local health managers are:

- Affordable drugs and effective medical plants for the poor.
- Self-help organizations for special problems and diseases.
- Comprehensive primary health production and health care combined with livelihood programs.
- Financial arrangements in case of sudden and high expenditures for health care.

This pattern of local concern is somewhat different from what we usually identify through epidemiological investigations.

In **Guatemala** our contribution towards local needs assessment and satisfaction was based on a very fundamental rule of basic health services:

- about 70 % of illnesses can easily be prevented by a proper diet and lifestyle, public works (e.g. safe drinking water), and vaccinations,
- about 70 % of illnesses can easily be treated with home remedies and cheap essential drugs by means of an informed self-help, promoted and assisted by well trained voluntary health workers.

Activities toward prevention and self-help address the very local needs of the health system in Guatemala.

Related to local needs I have to mention a third aspect. Analysing the “voices of the poor” – a very remarkable book series by the **World Bank –** makes clear that serious illnesses are an especially important poverty trap for the poor and even for middle class families. In the absence of social security serious illness of any family member can drain away savings intended to be used productively and produce a risk aversion. Free and good hospital care is a fundamental element of local needs.

From local needs orientation towards health system reforms

Do health system reforms address these issues? Local needs are a prominent word in most reform agendas but I rather would say that national financial needs were the driving forces behind health system reforms. Health care financing including health insurance and the private-public mix were the most prominent issues. In the meantime sceptical evaluations are increasing. The health system and the production of health are often neglected. How did we try to influence health systems reform in our countries in my small scale experiences?

Let me come back first to the **Philippines**: We had discovered outstanding health projects and discovered the pattern of local needs. Then the winners organized themselves and gained

influence in local, regional and national health policy. Quite a number of the winners' innovations were replicated by other winners and became national programs. Advice was given solicited and unsolicited to the ministry, congress, and senate. This was a kind of incremental and evolutionary contribution to a health system reform endeavour in the Philippines. Only one of the six ministers during my 8 years in the Philippines started what can be called a health systems reform agenda. "Health in the hands of the people" was his battle cry supporting "our" agenda on prevention and self help. Let me mention finally that five research teams analysed the winners as compared to some losers - and found out that personality traits of the managers were responsible for good governance and stewardship, especially the adherence to value systems.

How did our development cooperation in **Guatemala** relate to the national health systems reform? Driven by the Inter-American Development Bank there had been a strong reform agenda in Guatemala towards privatization of health care. Non-governmental organizations should be contracted out to extend coverage of services. We engaged ourselves mainly in supporting, strengthening and expanding the National Drug Accessibility Program. Once in a year government negotiates with providers a one-year supply of essential drugs for all government institutions and for accredited organizations - people's organizations, NGOs, local government units - to buy at these prices which are sometimes down to 20% of the market price. We supported this national reform agenda with new ideas and initiatives. We drove mainly at strengthening of civil organizations, and coordinating them and the Mayas at an equal eye level with national government units. In the area of prevention we started coordinating health, education and environment. Altogether we tried to initiate the inclusion of prevention and self-help into the agenda of the Ministry of Health, a health system, not just a health care reform approach.

Let me resume this issue on health systems reform. In the Philippines and in Guatemala we were working from within the national ministries of health. A few of our partners were exited about the new approaches we were developing together. They appreciated the professional exchanges between different cultures, disciplines and creeds. What was not achieved? There was no big bang, no larger scale institutional changes within the ministry. But there was essentially a bridging of different and beforehand diverging institutions. And there were a lot of people exited by new and fresh ideas. Sustainability is given by people and ideas – not through institutions, even if such people do need these institutions as a back-up. An incremental, evolutionary approach is what I would like to advocate, an approach that is producing new ideas and exiting and enlightening some people. They will try to reform their institutions and the systems according to needs, if they are driven by professional ethics and human ethics – if not, we should forget them. What we need is good governance and stewardship as personality traits in the leading partners at any level of operation. What we need is professional ethics. What we need are people interested in the living conditions of the poor. What we need are people that are convinced that economics is ethics because wasting of resources is to steal it from a better use. It is possible to find such partners and to contribute to good governance and stewardship in health system reform – in an incremental way rather than with megalomaniac ambitions.

Conflicts of national and international cooperation and chances towards good governance

"Conflicts and cooperation in the health sector" is the subtitle to this conference. The triangle between international cooperation, national policies and local needs is full of traps, pitfalls

and conflicts. Let me share with you some dimensions of conflict that are important according to my own and personal experiences.

1. **Empowerment of the powerless** versus collaboration with the mighty. To achieve this is one main yardstick towards good governance. It is not that difficult to measure achievement. It should be done – solicited and unsolicited.
2. **Development of new models** versus participating in routine procedures. From my point of view the development of something "new" is the very essence of international cooperation and "Völkerverständigung" with a value added for good governance.
3. **Cross-cultural fertilization** versus implementation by (regional) peers. Here again, the very essence of international cooperation is the cross-fertilization between different professional, religious and ethnic cultures.
4. **Acceptance of subsidiarity** versus centralistic omnipotence. The political culture of a federal and pluralistic system is a wise reaction against omnipotent national leadership. There are many good governances and stewardships at many different levels down to the families. Insistence in subsidiarity often leads to conflicts.
5. **Structural deficit reduction** versus satisfaction of actual demands. Sustainability and lasting impacts are catchwords of development policy whereas national partners are more concerned with satisfying actual demands during their relatively short election periods.
6. **Donor participating project management** versus self-administered financing contracts. Mutual control is essential to guarantee good cooperation and good governance.
7. **Cooperative collaboration** versus autistic, corrupt, non cooperative partners. In any country and organization everywhere in the world there is a normal distribution of the personality and character traits of the employed. It is essential to be able to find the best and to work with them.
8. **Projects and programs with managerial flexibility** versus budget or basket financing and central planning and monitoring. Quite prominent is the criticism against a so called projectitis. It is a matter of analysis what in fact is better. Flexibility can avoid being bound to people and bureaucrats that do not have a public but rather a private orientation.
9. **Health systems** versus sectoral or health services approach. This dimension of conflict results from the misunderstanding that the repair of diseases is more important than the production of health.
10. **Ethical and moral considerations** versus opportunistic handling. Good governance and stewardship is not a characteristic of institutions. It is something that a very few people excel in. People matter. We should find and support the best. At any level.

Conclusions

Health system reforms do not matter if they don't benefit the public, and empower the poor. If this is being achieved is not a matter of creed but of analysis. What we need is to discover the best managers and we need independent controls and good quality management programs. Ombudsmen for effectiveness, efficiency and ethics are needed to respond to any doubts. Cross-national groups and organizations like Transparency International or Reality of Aid could be supportive. The press, universities, churches, courts of auditors, appointees belonging to the best have to step in. Harvesting confidential hints, organizing dialogues and public hearings, involving civil organizations are further ingredients of a bottom up fight towards good governance and towards comprehensive corporate quality management programs that include ethical aspects. Relevant partners of the civil society have to step in to back up a good development policy for an efficient and effective health system. This back-up has to be loud and noisy so that professional voices are being heard!

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