

People Power

Perfection of Means and Confusion of Ends

For over half a century, economic prosperity has been the goal of post-war world. Even by 1939, the United States emerged as an economic giant, and the war only enhanced its economic strength and global power. Western Europe was devastated by war, but with American support in the form of Marshall plan, there was rapid reconstruction and recovery. Japan too resumed its place among the prosperous nations quickly, thanks to the high levels of human development achieved even by late 19th century. Eastern Europe under Soviet control floundered economically, but whatever be the faults of socialist model, there was high emphasis on education and health care. Though communism collapsed eventually, the high level of human development ensured that there is an enduring foundation for economic growth. Despite the tumultuous 90's, many East European nations are improving their economic performance. The real problem is with the central Asian republics.

China too essentially followed the same model. China's modernization and economic surge since 1978 have been possible because of the high level of literacy and health care achieved in the first three decades of communist rule. Despite the disasters of 'Great Leap Forward' and the excesses of the cultural revolution, phenomenal success was achieved in human development. South East Asia too achieved impressive levels of literacy and health before the economic boom.

Quantum jump in economic growth was always preceded by human development. It does not necessarily follow that high level of human development guarantees economic prosperity. Political stability and peace are necessary conditions for growth. Sri Lanka, which achieved impressive levels of human development even by the 70's has not made an economic breakthrough because of two decades of civil war. Similarly, relatively small nations can sometimes witness economic boom without human development. This is almost always because of abundant natural resources which are in short supply globally. The boom in the middle-East and countries like Morocco and Brunei is based on a single commodity which commanded premium price. But such a boom is necessarily short-lived unless those nations invest heavily in human development and improve the skills and productive capacities of the people. With commodity prices showing a long-term decline and modern technology finding cheaper substitutes in time, large scale export of natural resources cannot be sustained.

The lessons of the past six decades are clear. Human development is the precondition for prosperity. And more importantly, good health and higher quality of life are the very purpose of economic growth. Einstein once famously said that the twentieth century was characterised by perfection of means and confusion of ends. In India, this confusion continues in the twenty-first century too. Healthy life is obviously a goal of all economic activity, and good health is a precondition for productivity and growth. And yet, we have steadfastly failed to create a viable, well-functioning health care model. In Punjab in the forties, most villagers were chronically ill with Malaria, and there were not enough

healthy workers on the farms. Control of Malaria itself significantly improved agricultural productivity. But that lesson was never internalised.

True, there have been significant gains on the health front over the past 50 years. Average life span has been doubled, and many communicable diseases are under check. But there is far too much of avoidable suffering even today. And this is unacceptable in modern era. Planning Commission's figures show that only 42% of our children are fully vaccinated against preventable communicable diseases. Human Development Report 2002 shows that only 31% population has access to adequate sanitation facilities. These two indicators are a damning indictment of our health care system. Our health expenditure is certainly lower than in many countries. The US spends 12.8% of GDP on health, 5.7% in public sector, and 7.1% in private sector. Most OECD countries spend 8 – 12% of GDP. Our public expenditure on health is around 1% of GDP, and private expenditure is 4.2% of GDP. But there are countries whose expenditure is lower, but results are better. Sri Lanka spends only 3.5% of GDP (1.7% public, 1.8% private), and China only 5.1% (2.1% public, 3% private). But infant mortality in Sri Lanka (27) and China (32) is less than half of that in India (67). In many other verifiable indicators like average life span, birth rate, death rate, our performance is well below that of Sri Lanka and China. We account for the largest number of tuberculosis cases and preventable blindness. Thanks to uncontrolled proliferation of mosquitoes, malaria is rampant, though there is obviously gross under reporting: we report only 191 cases per 100,000 population, as opposed to neighbouring Sri Lanka's 1111 cases!

All these statistics establish two things. We need to invest more in health. But more happily, the current expenditure levels also can bring better results if only resources are properly deployed. Our public health institutions are in shambles. There is misallocation of resources, coupled with poor delivery of services. Hospitals, medical education and dispensaries account for over 60% of the budget and only 26% is spent on preventive care and family welfare. Nearly 60% of all public health expenditure is in the form of wages. These distortions result in two inequities. The poor benefit more from preventive care and primary health, and denial of these services hurts them disproportionately. Preventable disease is a major cause of impoverishment and indebtedness of the poor. And as the public health delivery is appalling, the few services provided are cornered by the more influential, depriving the poor. We need to make primary health centres accountable to local governments, and ensure better value for the money. Once they function effectively, a little more investment in infrastructure, vaccines and medicines will yield huge improvements.

We are relatively good at military style campaigns. The success of pulse polio programme is a good example. We need to design special programmes for Malaria and Rheumatic heart disease (RHD). Nearly 200,000 children a year fall prey to heart disease on account of simple sore throat between the ages of 5 and 15. Compare this with total heart surgeries, mostly coronary bypasses, of under 100,000 in India every year, at a whopping cost of about Rs 1000 crores. And yet, RHD can be eliminated by simple use

of antibiotics for sore throat, at an annual cost of under Rs 10 crores!. Such are the miracles of modern medicine.

All is not lost in this war against preventable disease and avoidable suffering. We have the technology, vaccine and drug production capability, and highly skilled manpower in India. The people understand the value of health. Improved health care delivery is politically profitable. States like Kerala and Tamil Nadu showed what can be achieved. Lower birth rates in southern states show that poverty and even illiteracy need not inhibit successes in health care. Low costs yield high dividends. Many pioneers like Dr Arole have shown how great improvements are possible with minimal inputs, few resources and local talent. All it takes is genuine commitment, and capacity to build institutions to deliver services. Economists and politicians would do well to focus on viable health care systems, reallocation of resources and instruments of accountability.

Jayaprakash Narayan

The author, a former civil servant is the National Coordinator of LOK SATTA movement. E-mail: loksatta@satyam.net.in; url: www.loksatta.org