

public health responsibilities: we still can't count births and deaths in countries with the highest levels of ill health.

Q: How do you assess your first year? Have you achieved the goals you set yourself?

A: This first year has been very enjoyable, a steep learning curve. This is a wonderful institution with a huge talent pool.

So far, we have redirected the strategy of the Evidence and Information for Policy cluster. We have a new structure, we have established good links with our regional colleagues and we are coming up with a health systems strategy for the Organization. We are working much better with the departments, particularly the priority disease departments, and we are hav-

ing some impact on bringing health systems more centrally on the global health agenda, and so I think we are moving in the right direction.

It would always be nice if we could move faster, but sometimes we have to move with patience and particularly with a big institution like this it is important to bring people along with you. I think we are doing reasonably well. ■

Macroeconomics and Health Commission findings become reality

Developing countries have embraced the recommendations of the WHO Commission on Macroeconomics and Health, an expert panel which has called on governments to increase health spending and make their health systems more efficient. Many accept that following this advice would benefit their economies and development agendas but some say they are struggling to increase health spending under the terms of debt repayment with global lending institutions.

Developing countries have taken their cue from the findings of a WHO commission that called on governments in 2001 to scale up investment in health care as an integral part of long-term economic development programmes.

More than 40 countries have taken steps to translate this and other findings of the Commission on Macroeconomics and Health into national policy and 20 of those are working closely with WHO experts on this.

The new approach is based on the Commission's philosophy: to provide more equitable access to scaled-up and more efficient basic health services in developing countries. Some countries are implementing this in conjunction with efforts to achieve the Millennium Development Goals for improving health in developing countries.

A WHO team has been advising 20 countries on how to increase their health budgets and implement other recommendations of the Commission. Ghana, India, Indonesia, Mexico and Sri Lanka have been among the most active.

Three years after the Commission on Macroeconomics and Health report was published in December 2001, these five countries have established their own national commissions and other bodies on macroeconomics and health which are in the process of drawing up their own Health Investment Plans to implement the report's findings.

Progress on increasing health budgets has been slow and it could be years before the beneficial effects on the economy are felt, according to Dr Sergio

Spinaci, Executive Secretary of the Coordination of Macroeconomics and Health Support Unit.

Spinaci said the Commission's work had resulted in a far better understanding that good health can help to increase gross domestic product (GDP) but that this was coupled with frustration in many developing countries that macroeconomic policies endorsed by global lending institutions can undermine their ability to implement the Commission's recommendations.

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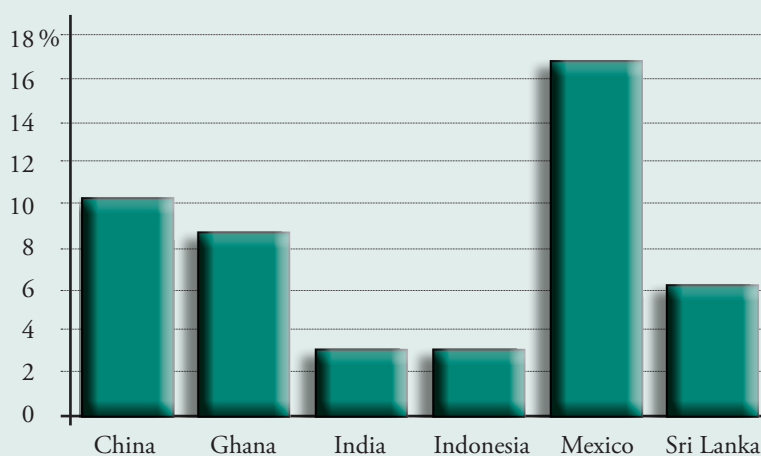
proportion of the budget invested in debt repayments and a macroeconomic policy focused on containing even minor inflation and setting rigid spending ceilings for the social sectors," Spinaci told the *Bulletin*.

Still, there are some encouraging signs. Under the leadership of its new prime minister, Manmohan Singh — one of the original Commission members — the Indian Government plans to increase its public health allocation from 0.9% of GDP to over 2% over the next five years, with particular emphasis on primary health care.

Public health experts see this pledge as especially important given that public spending currently represents only 17.8% of total health expenditure.

A technical panel is finalizing a report for India's National Commission for Macroeconomics and Health to demonstrate the impact of increased investments in the health sector on poverty reduction and to outline reforms necessary to improve health service delivery.

General government expenditure on health as percentage of total government expenditure (2001)



The proportion of the government budget allocated to health varies widely among countries pursuing Macroeconomics and Health policies, with India and Indonesia showing some of the lowest levels. A major challenge in Mexico, a middle-income country where health spending is relatively high, is to make under-performing health systems more efficient.

Source: World health report

The Sri Lankan Government said last month it would increase health expenditure by 10 113 million Sri Lankan Rupees or US\$ 96 million — nearly a 30% increase — to 40 408 million Sri Lankan Rupees, or US\$ 385 million, in its annual budget.

That will bring health spending from a current level of 1.3% of GDP to nearly 1.7% and, even despite about 5% inflation, marks a substantial increase.

In a newly published study on Sri Lanka, Louis J. Currat, the former executive secretary of the Global Forum for Health Research, said the National Commission on Macroeconomics and Health needed to address organizational issues such as overcrowded hospitals due to the absence of a referral system, the decrease in preventive services, over-centralization and a lack of resources.

But Currat said that Sri Lanka's efforts have been "remarkable" in improving knowledge about health economics and performance, and forging a consensus on the importance of increasing public investments in the health sector.

Despite an average male life expectancy of 70.2 years and falling infant and maternal mortality rates, Sri Lanka still suffers from severe pockets of malaria, tuberculosis, childhood malnutrition and an increase in noncommunicable diseases.

Dr Palitha Abeykoon, policy adviser in WHO's Sri Lanka office, said the process of implementing the Commission's recommendations has increased awareness of the need to improve management and accountability in the

health system, and to use economics as a modernizing "lever".

"We may be ahead but we still have a long way to go," Abeykoon said.

Work in Ghana is focused on making health an integral part of the country's overall Poverty Reduction strategy, according to Dr Regina Adutwum, Director of the National Development Planning Commission.

Dr Melville George, WHO Representative Ghana, said that the country's Macroeconomics and Health investment plan was "supported by the highest national authorities", was being "developed in a excellent collaborative spirit" and that this plan provided a solid basis for grant applications to the international donors.

"This [plan] indicates where we want to go towards reaching the health Millennium Development Goals and can be presented to the donor community," George told the *Bulletin*.

The government is working towards a "close-to-client" community-based health system and concentrating on three main issues: the introduction of health insurance; access to clean water and sanitation; and human resources at village level.

Per capita spending on health currently amounts to an estimated US\$ 8 per year, compared with the US\$ 30–40 package of basic health interventions deemed necessary by the Commission.

Indonesia, where 58% of the population live on less than US\$ 2 per day, has started translating the Commission's recommendations into national policy and is trying to allocate more resources to the poorest sectors of society who suffer disproportionately from tuberculosis, malaria and malnutrition and who are most vulnerable to major medical expenses.

"We are trying to place more emphasis on pro-poor policies," said Dr Pandu Harimurti at Indonesia's Ministry of Health.

Under the guidance of the Secretary of Health, Julio Frenk, the Mexican Government is forging ahead. The findings of its national commission were discussed at the Ministerial Summit on Health Research in Mexico City in November.

Here, one of the main challenges is how to reallocate resources and review priorities to transform underperforming health systems into more efficient and accessible structures.

Spinaci said that in the poorest countries it will be virtually impossible to improve health systems on current funding levels but that a big injection in health investment from domestic resources to plug that gap would be difficult. Donors still need to play a major

role to remedy this situation, he said.

Donor funding for health has increased in recent years but with development increasingly taking a back seat to security, Spinaci said that if current trends continue it is unlikely that donor governments will meet the Commission's target

of increasing commitments for health from US\$ 7 billion in 2001 to US\$ 27 billion by 2007.

"There is a gap between intentions and capacity for achieving them," said Spinaci, adding: "We are working to fill this gap". ■

Clare Nullis Kapp, *Cape Town*

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