



Health, Economics, and Development: a People-Centered Approach

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Introduction

In December 1994 the World Federation of Public Health Associations (WFPHA) held an international congress in Indonesia that assessed the linkages among health, economics, and development. While many viewpoints were expressed at the congress, several themes emerged that reflected a shared sentiment about key issues and provided direction for unified action.

Sixteen years earlier -- in 1978 -- WFPHA had developed a position paper representing the views of the international nongovernmental community that was presented at the International Conference on Primary Health Care held in Alma-Ata, of the former Kazakh SSR. That paper expressed the enthusiastic support of nongovernmental organizations (NGOs) for the goal of 'Health for All' by the Year 2000 through primary health care and laid out ways NGOs could assist in that effort. The paper stated that "substantial improvements in the well-being of people cannot be expected merely as a result of better health care, but require a whole range of social, economic, political, and cultural activities, i.e., primary health care must be an integral part of the overall development of society."

This position paper builds on and reinforces previous work and the lessons of the past two decades. It approaches the issues from a strong ethical perspective and reflects a people-centered vision of health and development. This paper expresses the consensus of the over-50 public health association members of WFPHA and forms the basis for WFPHA's participation in the World Health Organization's initiative to renew the Health-for-All strategy.

Conceptual Framework

Health is a fundamental right of all people. Health is integral to human well-being, which is the ultimate goal of development. Health is not the same as health care or health services. Health is not a commodity but a social good. As the Ottawa Charter for Health Promotion declares, "The fundamental conditions and resources for health are peace, shelter, education, food, income, a stable eco-system, sustainable resources, social justice, and equity."

The terms *health* and *development* are best understood by exploring the economic, political, social, cultural, environmental, demographic, epidemiological, and biological factors in health and development. The determinants of health vary among societies and groups of people, and the paths to development vary according to local situations and needs. Health and development require the promotion of human rights, both political and civic, as well as economic, social, and cultural rights. Growing socioeconomic disparity -- especially affecting women -- between countries and within countries is a major challenge of development efforts. The interconnections between health and development are inseparable.



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800 I Street, NW, Washington DC 20001-3170 USA / Tel: +1.202.777.2486 Fax: +1.202.777.2533

Development is the process of improving health and the quality of life, and health is an indispensable component of the development process.

Economic growth alone does not guarantee better health for all. While the economic advances of the past few decades have benefited some segments of societies, the needs of many have gone unmet. Among the poorest of the poor in many countries, ill health has increased even while the national economy has grown. On the other hand, progress in achieving health for all is not contingent upon economic growth. With sufficient political will and appropriate national priorities, great improvements in health can be achieved even in the poorest countries. Health and development, advanced through the elimination of poverty and inequality, are issues relevant to all countries -- rich and poor, North and South.

Central to this concept of development is the question of priorities: health, equity, and the elimination of poverty are accorded highest priority. Whether referred to as economic development, human development, social development, sustainable development, or some other terminology, development can be measured by its impact on the health and well-being of the poorest and most vulnerable of the world's populations -- today and far into the future.

Current Trends:

Societies around the world today are experiencing growing poverty, increasing imbalances in the distribution of wealth, and widening gaps in health status. Repercussions of the global economic system such as recession, currency devaluation, unfavorable international terms of trade, falling prices of developing country exports, and external debt burdens have contributed to the rising levels of poverty and unemployment and have adversely affected the health of the weakest and most vulnerable populations.

Policies that were intended to reverse economic decline and encourage stability have exacerbated the deterioration in health for millions of people. Structural adjustment programs fostered by The World Bank and International Monetary Fund have required governments to cut social service spending -- especially in health and education, privatize key industries and services, introduce severe austerity measures, reduce wages, and encourage export-oriented production. Many countries that have undergone structural adjustment have experienced growing inequity and deterioration in health status among the poorest groups; women have been disproportionately affected by adjustment policies.

In addition to structural adjustment programs, transitions to market economies in countries around the world have led to shifts in power and influence from governments to the private sector. Assumptions about the advantages of competition and market incentives in the provision of health and development services -- including enhanced quantity, quality, efficiency, and sustainability -- may not hold true. Market mechanisms that have been introduced in the health sector have often impeded access to basic services by the poorest and weakest segments of society. Continued privatization is likely to result in even greater inequity. Reliance on the private sector may also result in diminished efficiency and quality of care.

While there has been growing awareness that health is a central component of development, this awareness has been met with insufficient response and political commitment. For example, even though recently The World Bank has greatly increased lending for health as an economic investment, these attempts to offset the most negative effects of structural adjustment programs with social safety nets do not address the root problems of poverty and inequality. In fact, the Bank report Investing in Health underscores the huge imbalances in the distribution of wealth. Its call for a two-tier system of health



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services, the use of financial incentives, and privatization of health care services will lead to persistent institutionalization of poverty.

A Renewed Vision of Health and Development

The World Health Organization has called for a comprehensive re-evaluation of the principles and strategies of Health for All. At this critical juncture, the international health and development community is facing choices that will have an enduring impact on the world's populations. A rethinking of current approaches to health and development -- one that places highest priority on the health and well-being of the world's poorest people -- is needed. This renewed vision of health and development would lead to fundamentally different national and international policies and ways of working.

A renewed people-centered vision of health and development would recognize that the narrow economic objectives of the private sector may not be compatible with principles of equity and health for all. This approach would reconsider the potential negative impact on the poorest populations of the pursuit of long-term goals of stability and competitiveness through radical restructuring of economies and privatization in the health sector. This approach would curb the adverse health and environmental consequences of industrial, energy, trade, agricultural, and other economic activities -- not as "side-effects" to be addressed through regulation and social safety-net interventions, but as central considerations of decision-making processes.

With this renewed approach to health and development, the economy would directly serve all people, not "trickle down." Governments would be obliged to secure the necessary conditions for the achievement of health for all, such as ensuring equitable sharing of resources. People's right to health would not be traded off for economic gains or subject to economic ups and downs. The priority on health and equity would be maintained in times of economic austerity as well as in times of prosperity. There would be fundamental reforms in international trade relations, the debt burden of poor countries, and the structure of multilateral aid. Top-down development strategies would be replaced with grassroots action and local decision-making.

This approach would not ignore the concerns about the rising cost of health care and the importance of achieving greater efficiency and quality in health and development services. On the contrary, the efficient use of available resources would be a high priority. Spending would be reoriented from costly high-technology services for the few to primary health care approaches that meet the needs of the majority of people, thus enhancing efficiency and performance.

A people-centered approach would recognize that there are many models of development. Alternative models of development would ensure popular participation, pursue an end to structural inequity and poverty, overcome non-sustainable ways of production and consumption, recognize the link between health and the empowerment of women, and emphasize education, particularly for girls and women.

Renewing Health For All

While there have been vast changes in the world since the 1978 Declaration of Alma-Ata, the original vision of Health for All through primary health care remains highly relevant. The call for enhancing the capacity of people to contribute to their own well-being and for local determination and control over



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resources and programs is a well-founded aspiration. The emphasis on social justice and the recognition of the place of health in the overall social, political, and economic system remain valid. The appeal for coordination of efforts of all sectors of government is still a much-needed objective. The challenge to make better use of the world's resources, especially expenditures on arms and the military, is more urgent than ever.

There are numerous ways the international health and development community can revitalize and update the aspirations contained in 'Health for All', such as the following.

- Urge acceptance of accountability at the highest levels of government for ensuring the health of all citizens, for eliminating poverty and inequity, and for making health and human well-being the central goals of all development activities.
- Reaffirm the commitment to implementing the principles of primary health care, the essence of which is empowerment of the community and popular control over resources and programs.
- Work to develop close collaborative relationships among governments; international agencies; and civil society constituencies such as professional, academic, religious, civic, political, business, and nongovernmental organizations
- Urge elevation of the health development sector to a position of preeminence among the major ministerial portfolios and full utilization of the technical skills of public health professionals and their leadership in achieving intersectoral cooperation on health.
- Make human resource development in health a high priority, with a special focus on community-level workers; incorporate social, economic, and political dimensions into education programs and provide training in policy, planning, and management.
- Promote the development in multilateral financial institutions of open, accountable, and broadly participatory decision-making processes; a reorientation of lending toward poverty alleviation; and institutionalized consideration of the social and environmental costs of projects.
- Support the use of indicators of progress and well-being that reflect social, cultural, and environmental factors and that focus on the health of the most vulnerable groups, rather than the use of aggregated averages.
- Perform multidisciplinary research and policy analysis on:
 - the linkages among health, economic policy, and development strategies;
 - the impact on health of the recent changes in health care delivery and financing;
 - optimal allocation and use of resources for health; patterns and trends in equity in health.
- Call for urgent measures to redress policies that have had a negative impact on societies, such as external debt, structural adjustment programs, and the net transfer of funds from the South to the North.
- Work to mobilize greater national and international financial resources for health and development.
- Urge donors to respond to the needs and priorities of the recipient countries, support national capacity-building, focus on poverty reduction and the empowerment of women, and channel more aid directly to nongovernmental organizations that implement grassroots development projects.
- Encourage ratification and implementation by all governments of the conventions and agreements reached at the Beijing, Copenhagen, Cairo, Vienna, and Rio de Janeiro conferences.



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The Commitment of WFPHA

The member national public health associations of WFPHA commit our resources and energy to helping to implement this renewed vision. Public health associations will rethink the dominant approaches of the public health profession to issues of health and development, with a special emphasis on the views of the countries of the South. Public health associations will continue to advance the primary health care approach, promote equity and social justice, and foster citizen control over creating the conditions necessary for health.

Implementation Suggestions for this Policy Paper

- 1) Send a copy of this policy paper to governments, United Nations agencies, and other relevant organizations*

- 2) Use this policy paper as the basis for WFPHA members' participation in the WHO initiative to renew Health for All.*