



Global Health Financing: The Need for Advocacy

Reading: Bretton Woods to Bamako, from *Blind Spot*, Salmaan Keshavjee

Discussion Guide

Goal: Understand the deep-seated challenges in global health financing and the need for advocacy in securing a large-scale financing mechanism by exploring the history of key institutions funding global health.

Suggested Discussion Questions:

1. Why do you think there is a lack of stable investment in global health and health system strengthening?
2. How can problems or challenges in global health financing be traced to neoliberal politics?
3. What historic actions have resulted in advancements regarding stabilized financing for global health? In what ways can you, your team, or the PIH Engage network contribute to stabilizing global health financing?

Key Quotes:

"The inner meaning of history... involves speculation and an attempt to get at the truth, subtle explanation of the causes and origins of existing things, and deep knowledge of the how and why of events" (title page).

"In Bretton Woods... the discussion... was about significantly more than fixed exchange rates and monetary policy: it was a much broader debate about the relationship between the citizens and the state, and the role government should play in furthering social and economic life" (86).

"They saw economics as embedded in politics and hence, saw the 'free market' as an economic form of political democracy" (88).

"Structural adjustment policies, at their root a fundamentally neoliberal approach, were a game changer for the developing world" (93).

"User fees were not likely to have an impact on the ability of sick people to access care and, in fact, would be better for the poor because the fees would lead to improved quality of medicines and clinics" (96-97).

Lesson Plan

Goal: Understand the deep-seated challenges in global health financing and the need for advocacy in securing a large-scale financing mechanism by exploring the history of key institutions funding global health.

Warm Up: Much of today's discussion will hinge on an understanding of neoliberalism, which is a political ideology birthed from fear of communism and big governments during the Cold War. Begin by broadly asking your team to define neoliberal politics. If needed, **Neoliberalism**, broadly defined, adheres to three key points:

1. Supply and demand leads to "equilibrium" with efficient resource allocation and no government distortion
2. Individuals always make choices that satisfy personal objectives and fixed preferences
3. Individuals always make the economically correct and informed decisions

Diagnostic: Barriers to expanding global health initiatives often arise from a lack of financing or from restrictions placed on funds. Why do you think there is a lack of investment in global health and health system strengthening?

Teaching Bit: In July 1944 in Bretton Woods, New Hampshire, 44 nations came together to discuss Europe's postwar recovery strategy. Following World War II, paranoia around the role of government festered. In order to aid in economic reconstruction, the **Bretton Woods Agreement** established two important international institutions within a framework that supported supply and demand economics, leaving almost no room for government regulation:

- **International Stabilization Fund** (later known as the International Monetary Fund, **IMF**)
- **International Bank for Reconstruction and Development (IBRD)** (later the core of the **World Bank Group**)

These institutions received money from many different nation states and were able to disperse loans to other nations in order to aid development and recovery. Loans had the power to reward nations for adhering to anti-communist governing rules and, as the text states, "the largest donor[s], [had] significant influence over recipient countries and the bank" (88). The neoliberal agenda put huge pressure on the IMF and World Bank to award loans to nations working to shrink their governing bodies and national expenditure.

Neoliberalism, however, was not easily applied to health care. There was great tension between those who wanted to invest in public health initiatives and those who wanted to adhere to neoliberal ideology, privatizing all spending.

In 1968, World Bank President Robert McNamara pushed for the World Bank to become more involved in international nutrition and health. The *Health Sector Policy Report 1975* emphasized that health care is more like a public utility than a private good. However, the **structural adjustment programmes** (loans awarded by the IMF and World Bank), emphasized user fees at public health clinics, laying off staff, and privatization of services.

By the time the WHO and UNICEF convened at the meeting of African ministries of health in Bamako, Mali in 1987, "affordability," "effectiveness," and the use of prices and markets to allocate health care largely dominated decision making by the IMF and the World Bank. Other officials, responding to the urgent action to achieve health for all called for by the 1978 **Declaration of Alma-Ata**, pushed for aggressive government investment in primary care services. In 1987, the **Bamako Initiative** reached a compromise by guaranteeing "the availability of a limited, but lifesaving package of health service, both preventative and curative" (98). This compromise has largely dominated funding mechanisms in global health since.

Guided Practice: We can trace many trends in global health financing back to the Bamako Initiative, and earlier still, to the Bretton Woods Agreement and efforts to reconstruct Europe after World War II. In small groups, discuss three problems or challenges in global health financing that have their roots in neoliberal politics. Share with the group. (Hint: focus on cost effectiveness, privatization of health care, "basic package" of health services, etc.)

Independent Practice: History has clearly created many challenges in global health financing. The history of the right to health movement, however, offers an opposing narrative and vision for what is possible. Discuss as a group:

- Historic actions that resulted in advancements regarding stabilized financing for global health (PEPFAR, etc.)
- Ways that you, your team, or the PIH Engage network could contribute to stabilizing global health financing

Assessment: Why is it important to understand this history of global health financing before advocating for a change in its current state?

Closer: Have each person share one policy, institution, or idea that could help stabilize global health financing.

