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## INDEXED

## CLOSING THE RANKS FOR HEALTH FOR ALL<sup>1</sup>

Dr. Halfdan T. Mahler, Director-General of the World Health Organization

This year I should like to let you know how I feel about your Organization's situation 13 years before the year 2000. Since we met last year the full impact of your Organization's financial crisis has hit us all. We have been running faster to try and prevent disaster overtaking us, but I am afraid we have only partially succeeded in doing that. Disaster there may not be, but the financial situation is very grave indeed. Paradoxically, we have been able to avoid outright disaster by starting to run more slowly—not in terms of our policy, which runs steadily, but in terms of our financial capacity to support you in carrying out your health programs based on that policy. There is no way out of the simple equation: Funds that do not come in cannot go out. And there is no point in going over the detailed reasons for our financial crisis: they are known to all of you. I should just like to comment briefly on the two main factors that gave rise to it. One is the low level of receipt of assessed contributions; the other is laxity in using WHO's resources in the most effective and efficient way. The effects of the two are interrelated.

It does not help to cry over missing contributions. We have to face that reality. We just have to fight for more and make do with less. That is why I had to cut out activities to the tune of US\$35 million this year based on the calculated hope that this would keep your Organization solvent. Even that proved to be too small a sacrifice, so I had to make an additional US\$10 million reduction a few months ago. To do that I placed the bulk of the burden on headquarters, not least by postponing all recruitment from the regular budget of external candidates to the Geneva office until next year. You have unfortunately had to suffer the consequences, some directly, some indirectly. I have heard some cynics saying that this freeze has had no measurable adverse consequences. Well, if you merely

<sup>&</sup>lt;sup>1</sup> Address to the XXXII Meeting of the Directing Council of the Pan American Health Organization, XXXIX Meeting of the Regional Committee of WHO for the Americas. See PAHO document entitled Message from Dr. H. Mahler, Director-General of the World Health Organization: Closing the Ranks for Health for All; Pan American Health Organization, Washington, D.C., September 1987.

Over the past three years I have been stating in front of all of you here, and in front of all other regional committees, that if the management of our cooperative activities does not improve, the technical cooperation component of our regional budget might be criticized out of existence. I added that this could lead to serious reservations about our constitutional regional arrangements, if not an end to them. I know that some of you were thinking: "Let the old man talk. He is under some pressure here and there, so he is letting off steam with us." Well, those of you who were present at this January's meeting of the [WHO] Executive Board would have seen things differently. Your regional director and I were placed in a very invidious position, like schoolboys being reprimanded for misbehaving.

Of course, you can retort that if I had not brought to light the need to improve the management of our resources, the whole matter might have gone unnoticed. I am afraid not. Quite apart from the need for any organization to maintain the transparency of its actions, not least a worldwide organization with the highly sensitive constitutional role of directing and coordinating authority on international health work, quite apart from that, too many external reports and critical sentiments—yes, sentiments cannot be ignored either—too many of these made it clear that the storm was quickly gathering and was bound to burst one day. Well, it did, and we are in the midst of it. Fortunately, as always we were the first to reveal our weaknesses, not in order to condone them or weep over them, but in order to convert them to strengths. Had we not done that, the storm would have been a tornado, not a mere tempest as it is today, and we would have been in a situation of abject defense, whereas now we can at least deal with the matter with dignity.

Honorable representatives, you are no doubt aware that [WHO Executive] Board members, as well as delegates to this year's [World] Health Assembly, took great pains to tell us that the crisis is merely a financial one, not a crisis of confidence. I am sure they meant what they said, but at the same time I cannot help feeling like the patient who believes he has a life-threatening cancer and has gnawing, unspoken doubts about his physician's reassuring statements. Now it is all too easy to commiserate with one another that we are innocent bystanders in an outburst of lack of faith in development, or that we are victims of internationally imbalanced macroeconomics. But laying blame will help nobody. Finding appropriate solutions will help everybody.

I am afraid I have no magic panaceas,

but I believe that alleviating remedies do exist if we want to use them. There is nothing new about the remedies in 1987, nine years after the Declaration of Alma-Ata. Yet they are nevertheless revolutionary. They consist of carrying out our revolutionary health policies without deviating from them, even if inadequate resources make it necessary to carry them out at a slower pace than we had originally anticipated. And the remedies also consist of making sure that whatever resources we have are squeezed to the maximum in carrying out our predetermined and fully determined policies. Before trying to indicate how these remedies might profitably be applied, I should like to add a note of optimism, guarded optimism, but nevertheless realistic optimism.

Uncertainty about the future is one of the greatest impediments to any rational kind of management. We are all only human, and when we are not sure about tomorrow we think only of enjoying today, even at the expense of eating up what little resources we have. After all, people argue, if there will be no tomorrow why worry about it? Honorable representatives, there will be a tomorrow; it is within our grasp. It is therefore worth the extra effort. The fog of financial uncertainty is clearing; when it disappears the certainty will become apparent. It will be a substantially reduced certainty over the coming years, but nevertheless a highly tangible certainty that can be exploited to the full, that must be exploited to the full, if we are to reach our goal of health for all by the year 2000 and keep it up afterwards.

So even if others may have lost faith in us, we must preserve our faith by demonstrating that it is well founded, by always keeping in front of us our health value system, by persevering in our policy and strategy for health for all, and by using collective resources to make sure that national resources are indeed consistently used to carry out socially just health policies. For it is precisely when adjustments to existing policies have to be considered—and that applies to social policies no less than to economic ones—it is precisely under those circumstances that social justice is more important than ever. It would be all too easy to make economies in health systems at the expense of the weaker segments of society—the underprivileged periphery who may not yet have grasped the full significance of their voting power, or who may have none in reality. That is where reference to the value system decided on collectively in WHO can have major political influence. We in the health sector obviously cannot dictate economic adjustment policies to governments hard-pressed by foreign debts and by the insistent policies of external creditors. But we certainly can use WHO's collective conscience to bring forcefully to the attention of governments that social productivity is an essential prerequisite for economic productivity. Those countries that have ignored that fact have done so at their peril, as example upon example of social unrest demolishing economic policies has shown.

But let me be a devil's advocate for a moment and postulate the reintroduction of the kind of system that prevailed before WHO's new health paradigm surfaced, and I am sorry to say the kind that still prevails in too many countries. Would it cost less and relieve

national health budgets, as well as WHO's budget in support of these? Not at all; to the contrary. The strategy for health for all based on primary health care, with its emphasis on a single infrastructure to deliver many targeted programs, is low-cost by any standards. That does not mean that it costs next to nothing. It costs far more than most developing countries are spending on health today, and much less than most industrialized countries are spending on health. So developing countries have to fight for more resources for health, and both developing and industrialized countries have to fight for more rational use of resources. In all cases your Organization stands ready to support you in the fight. To do that, remembering that charity begins at home, your Organization has to demonstrate in practice that it is using its resources as befits wise action in the midst of a financial storm.

Honorable representatives, the management of WHO's resources is a most important item on your agenda this year. I am sure you will debate the issues with the same openness and intensity with which I have presented them to you in the background document.<sup>2</sup> I should just like to single out a few points that appear to me to be of particular importance. First I should like to restate my personal, unshakeable belief in decentralized management of our technical cooperation activities, as long as these are carried out in line with the policies you have decided on collectively in your World Health Organization. If that takes place we will be rightly proud that we are displaying responsible democracy. If it does not take place, we shall have to face the shame of manifesting irresponsible anarchy; and responsible governments will not support that, nor will responsible people condone it.

You have at your disposal all the managerial instruments required to run your Organization as a responsible democracy. You have adequate policy directions for attaining health for all, a comprehensive strategy to give effect to these directives, a general program of work that enables each and every one of you to define the scope and content of your cooperation with WHO, regional program budget policy guidelines, a clear program budgeting process, and managerial arrangements in harmony with all of these. So I could sum up the remedy in a few words. Use the instruments we have, and use them properly; they are precious instruments indeed.

One of the instruments you as a regional committee were urged to use by the Thirty-third [World] Health Assembly, and I am afraid you are hardly using, is review of WHO's action in

<sup>&</sup>lt;sup>2</sup> World Health Organization, Management of WHO's Resources (Document EB81/PC/WP/2), Geneva, 27 May 1987.

individual Member States within the region. I really do believe you will all derive much benefit from analyzing together in the regional committee the way each and every one of your countries is progressing towards health for all and using WHO's resources to that end. I know that at first sight the idea of looking at one another's strengths and weaknesses may seem to be going very far, but I am convinced that within a very short time you will realize how useful that mutual trust can be and you will look forward to the experience. For it can help to minimize your weaknesses and strengthen your strengths.

"Yes," I can hear you thinking, "the old man is dreaming again." And yet how often do we have to remind ourselves that without dreams humankind would never have dreamed up to-day's values and tomorrow's achievements. Recent history in WHO is ample proof of this, in spite of the international financial climate. "But what of today's sordid realities?" you may rightly exclaim. Well, let us look at them and see what they really are and what can possibly be done to make them brighter. Forgive me if I try to analyze your realities from a possibly distant perspective, but I can assure you a no less empathetic one for all the distance. I shall weave my dreams into my perceived realities and try to illustrate how to convert weaknesses into strengths.

Nearly 40 years ago, when WHO was born, it had only 10 Member States in this region, although the Pan American Health Organization had of course been in existence for a long time before that. Today you are 34 in number. Some additions are due to countries reaching independence; others result from the decision of their governments to expand their horizons beyond the confines of the hemisphere of the Americas. In both cases, surely, that is a cause for rejoicing! It is too easy to take such political developments for granted. Of course you have your problems. Quite apart from your health problems you have very serious political. social, and economic problems, particularly those of you in the southern part of the continent. I was very deeply affected by the statement of the Latin American group of countries at this year's health assembly, a statement exposing your economic problems, in particular those arising from the need to repay heavy foreign debts. We were told that in some countries the interest alone on these debts is as high as 10% of the gross national product and even as high as 50% of the revenue from exports. My concern was deepened by a recent statement of the International Monetary Fund that in 1986 the Latin American countries repayed to private banks over US\$4,000 million of foreign debts more than the loans they received during that year from these banks. To add to your problems there are also tremendous differences among the countries of the region regarding access to health care, and that applies equally to differences among the various social classes within many countries.

Honorable representatives, I want you to know that your Organization is with you in suffering these problems and in seeking reasonable solutions to them. Through your Organization you have developed a vast array of health development options from which to

choose the ones most suited to your social preferences and your pockets. WHO's value system, to which all of you have contributed, bears very much in mind the specific needs of countries facing such serious economic problems. What course of action, then, is reasonable under the present circumstances? I can only repeat my conviction that current economic adversity should not be a reason for abandoning the paths you have embarked upon, but rather an even more impelling reason for continuing to follow those paths at whatever pace your economic situation permits. If you follow the right direction you will eventually reach your desired destination; if you follow other directions you will never reach it. So I firmly maintain that you can make very significant progress by sticking doggedly to our collective policy, adapting it to local needs but not deforming it in the process.

I should just like to add one comment, and that relates to your place in the wider world, particularly in the wider world of WHO. I have never hidden my concern about islands of isolation within the WHO corporate body. I know that for many of you the guestions of language and culture loom large when you consider such matters. But modern communications mean that we are living in a contracting world, not only geographically but also in the realm of ideas. I believe you have already derived great benefits from belonging to an Organization whose horizon is much wider than that of this continent. I am referring not only to what you receive, whether as concepts that have given rise to the new health paradigm for attaining health for all by the year 2000, or in very practical terms through international support, for example for such initiatives as Carribean Cooperation in Health. I am also referring to what you give to others in other parts of the world by sharing your knowledge and your experience. If considerations such as these are important in any kind of world, they are doubly important in a contracting world, and in the long run may even help to alleviate some of your current economic difficulties.

I realize that some of you are exposed to terrible temptations when other organizations, or other Member States for that matter, offer to pour large sums into health activities in your countries. All too often, I am sorry to say, they have not learned the lessons of developmental history. Their assistance is all too frequently paternalistic in nature, with foreign health parachutists descending on you to perform quick fixes that leave little or nothing behind when they depart. When they do that, they are wasting their and your resources. Correct policy, even if carried out at a slower pace for financial reasons, will reap infinitely greater benefits in the long run than incorrect policies carried out more quickly. It is your responsibility to make sure that *your* own resources and *all* external resources for health are used in a sufficiently enlightened way to reflect *your* Organization's collective policies; and it is the responsibility of your most intimate external partner in health—your Organization—to support you in achieving that.

On a more positive note, there are signs that a number of important bilateral agencies have really begun to grasp what we mean in WHO when we refer to enlightened bilateral support to developing countries. They are realizing the value of investing their resources in such a way as to bring WHO's collective policies to life. Until recently they may have been more attracted by the special research programs. But I can sense a desire to become more involved through WHO in helping developing countries to build up permanent health infrastructure based on primary health care, in order to attain health for all. For my part, desiring to compensate for the difficult regular budget situation. I have stretched my moral conscience to the limit in attempts to secure extrabudgetary funds for that purpose. I now appeal to you to stretch your imagination to the limit to make health infrastructures like these a sustained reality and an attraction to external partners at the same time. And I would plead with those of you who could become such external partners to do so with alacrity. I should like to congratulate those who are already doing so; it is an act not of charity but of enlightened self-interest. The benefits of such partnership, I believe, will extend far beyond their health consequences. They will show the way to a new kind of enlightened North-South dialogue, one not shackled by hardnosed economics but open to human values that in the long run will also have important positive social and economic consequences for all partners.

As you can see, the picture may not be rosy, but it is certainly not dismal. Far from it. There *are* remedies. And I am confident that they will be applied—some earlier, some later, but all in time to achieve our common goal. That is why I believe you can celebrate our fortieth anniversary next year not as a one-time explosion of synthetic euphoria but as a year-long expression of determined action to achieve the goal we have set ourselves. I would beg of you, therefore, as I suggested at this year's World Health Assembly, I would beg of you to *act* out in your countries next year a double celebration of 40 years of WHO and 10 years since the Declaration of Alma-Ata. And I emphasize the importance of acting out these anniversaries, not merely paying lip service to them.

Mr. Chairman, honorable representatives, by acting out in your countries the values, the policies, the strategies, and the programs you have defined worldwide in your Organization, you will be the best advocates of what health for all stands for in dreams and in reality. And I should add that if you make sure that 1988 is only one of many future years, the things you act out will become permanent features of your health systems. In this way, you and the people you represent will support one another in living out this great health and development adventure that you have taken upon yourselves through your WHO. By that kind of action, you can convert financial weaknesses into substantive strengths. To succeed in that, all of you, all of us, must display outstanding, consistent international solidarity for the health of people everywhere. We must close our ranks—all Member States throughout the world, across regional boundaries and political barriers, North and South, East and West, together with the secretariat we must close our ranks in the resolute march towards health for all by the year 2000 and beyond.