

Britain: Government unveils measures to dismantle public health care

Elaine Gorton
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Last week, Health Secretary Alan Milburn unveiled government plans to “redefine” the National Health Service (NHS). The proposals mark a radical step in the dismantling and privatisation of state-funded health care provision.

In his speech to the New Health Network, Milburn argued that the NHS was Britain’s “last great nationalised industry,” and that this model “is untenable for the 21st century”. “The NHS has to grow up and be part of this century,” he argued.

Under Milburn’s plans, the 35 top performing NHS health care trusts are to be turned into self-governing “foundation hospitals”, which would be able to devise their own budgets, and be free to set their own pay levels and conditions.

The changes form part of a raft of measures that also enable charities and the private sector to take over “failing” hospitals, i.e. those that do not meet new government standards as monitored though the Audit Commission and the Commission for Health Improvement. Newly reorganised local health authorities, which begin operating this April, could also be put out to franchise. Milburn has given failing NHS trusts just three months to “turn around”, or face private management teams being called in.

The health secretary described his proposals as creating greater “community ownership”, which would lead to “greater diversity” in local services.

Milburn’s proposals will certainly increase “diversity,” i.e. the even greater fracturing of health provisions along regional and class lines. Twenty years of cut backs and severe underfunding, combined with the introduction of the market into many areas of health provision, has led to what is described as a “post code lottery”. Not infrequently, a patient’s treatment—or in all too many cases, the lack of it—is dictated by the area

in which they live. By placing the emphasis on hospital management, the government hopes to divert attention from the fact that it is an underlying lack of finance and resources that plagues the NHS.

The government no doubt intended its proposals for charities to be involved in running health care to bolster the claim of community ownership. But for the most part, the response of Britain’s major charities to the plans have been at best muted, whilst many have said that it is simply not feasible for them to play the role the government has ascribed them.

Most health charities devote their energies to support and research, not providing direct health care. One of the largest such charities, Cancer Research, said that Milburn’s proposal was well beyond its capacity. The chief executive of Macmillan Cancer Relief, Peter Cardy, stated, “Our concern is less with the arrangement for the management of hospitals, than with the delivery of proper continuity of care for patients.”

Of those charities that do provide some health care, those such as Leonard Cheshire and United Response have rejected suggestions that they should take on the responsibility for delivering hospital services currently provided by the NHS.

Even if some charities should prove willing to deliver such services, it would not alter the underlying character of the government’s latest proposals one iota.

Far from being a step forward in health provision, Milburn’s plans mark a return to pre-World War Two conditions. One of the main impulses for founding the NHS was to overcome the irrational and chaotic system of health care, which had made millions dependent upon the services of charities and church hospitals.

By 1939 there were 1,334 voluntary hospitals in England, most having an average of just 68 beds. Dating largely from the era of Victorian philanthropy,

by the time of the Second World War many voluntary hospitals were virtually bankrupt. In his authoritative study of Britain's welfare state, "The Five Giants", author Nicholas Timmins records that so severe was the crisis, that "As early as 1930, the House Governor of the Charing Cross Hospital declared that the hospitals could not rely on sweepstakes and competitions for survival and predicted that within ten years they would be nationalised—state-supported and state-controlled."

Of the 1,771 municipal hospitals across the country at the time Timmins was writing about, most dated back to the nineteenth century workhouses and conditions were generally awful.

The establishment of the NHS in July 1948 was based on the recognition that the health and well being of tens of millions of people and their families could not be dependent on the vicissitudes of the market, altruism or personal finances. The NHS established comprehensive health provisions: including local hospitals, General Practitioners (family doctors), dental and ophthalmic services.

This understanding also informed the establishment of numerous other state-funded services, including public education, welfare benefits, etc. Funded through a system of national insurance contributions deducted from every pay packet, the NHS was charged with providing universal health care, free at the point of delivery.

In his speech, however, Milburn baldly stated that it is no longer the responsibility of government to run public services, but to "oversee them". His remarks are a clear signal by the Labour government that, with most other public services having been hived off to the private sector, it is ready to dismantle the last monument of Britain's post-war welfare state.

Government plans to introduce performance monitoring, along the lines of the "naming and shaming" already used in schools, is equally cynical. The arbitrary publishing of figures, including "league tables" of hospitals and even individual surgeons' mortality rates, stripped of any wider social context is enormously misleading. Some NHS practitioners have already expressed concerns that this could foster a reluctance to carry out certain procedures that are known to be risky, but which are also potentially life-saving, in order to avoid the hospital or surgeon gaining a negative "rating". Several hospitals have already been

exposed for massaging their figures, by running a second (unofficial) waiting list for example, in an attempt to meet government targets for reducing waiting times. Moreover, the government's approach could seriously hamper the development of new medical procedures, which by their very nature run a risk of incurring higher mortality rates.

Compared to the NHS, private sector hospitals are a cottage industry. For example, the biggest NHS hospital trust is in Leeds, West Yorkshire; it employs 12,000 staff, runs 40 different departments and 3,000 beds, whereas most private hospitals have an average of just 50 beds.

Private insurance companies and healthcare providers have welcomed the potential transfer of National Health Service assets and expertise—built up over years at public expense—into their hands. They have no intention of providing the sort of comprehensive services presently available under the NHS, but will be looking to cherry pick the most profitable areas. Only one in 10 NHS patients requires acute hospital care, but it is in this area that the private companies believe considerable profits can be made. They hope to land lucrative contracts, receiving payments for quantifiable services, such as clearly defined surgical procedures, and will leave the provision of long-term and palliative care, preventive medicine and other ongoing services to a rump National Health Service.



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