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**15 June 1995**

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**FORUM ON LEADERSHIP FOR HEALTH SECTOR REFORM**  
**(San Juan, Puerto Rico)**

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Your Excellency, Governor Pedro Rosselló González; Madam Secretary of Health, Dr. Carmen Feliciano de Melecio; Honorable Ministers of Health; distinguished guests; ladies and gentlemen.

First, I must express my pleasure at being with you here this morning and I thank the Governor for the invitation to be here and participate in the opening of this Forum on Leadership for Health Sector Reform.

Naturally, I feel at home in a Caribbean setting and I can understand why those who have a superficial understanding of our islands, see only the idyllic surroundings and take away the false idea that there can be few structural problems. There are problems and this Forum attempts to find or explore with you, the participants, some solutions to one of the more important problems to be faced by any modern country. Puerto Rico is valiantly attempting to address the deficiencies in its health sector.

I have read reports of what is being tried here and this is not the first time I have heard of your efforts to introduce changes in your system. I recall meeting with and hearing the famous Dr. Guillermo Arbona who familiarized me with some of the reforms that were introduced into your practice of public health. But no system is ever reformed in the sense that like the Mona Lisa it remains perfect for all time.

There are two recent events that have highlighted the importance of health sector reform for the Pan American Health Organization (PAHO). The first was the Pan American Sanitary Conference of September 1994 when I was elected. At this Conference, the Ministers of Health of the Americas adopted a set of Strategic and Programmatic Orientations that should guide the work of the whole Organization for the next four years. These orientations are consistent with the Ninth General Program of Work of the World Health Organization and indicate those principal areas of concentration that would indeed facilitate the achievement of that laudable goal of Health for All.

We must recall the context in which these orientations were developed. The countries of the Americas are recovering from the severe economic crisis that affected them in the eighties; there is widespread enthusiasm for democratic rule; and the world as a whole is increasingly conscious that the poor have become more numerous and more vocal. In the Americas as a whole and particularly in Latin America, this issue of addressing poverty and its sequelae is occupying the minds of

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\* **Pan American Health Organization, Pan American Sanitary Bureau, Regional Office for the Americas of the World Health Organization.**

everyone, from presidents to peasants. There is also consciousness that the health sector, although it has been buffeted by the economic downturns and has had to endure limitations of technology and resources, has been able to maintain the trend of improving the health status of even the poorest countries. The call that was coming through, however, was for more equity in all areas - somehow there had to be more equitable distribution of essential goods and health was high on the list.

It was in this context that these five orientations were accepted. The first was health and human development. It may appear that the health sector was encroaching on areas and fields that were traditionally outside its purview. But we believe that unless the health sector adopts a positive and perhaps an "aggressive" posture in demonstrating that it is an important contributor to human development, it will be largely ignored. The health sector must not be seen as being related primarily or exclusively to cure and care of the individual.

The second orientation is health systems development and the major thrust is towards providing universal access to health services while maintaining quality and efficiency. It is noteworthy that the call is for health systems development, because we accept that the services represent only one aspect of the system. There is a need for development of the central organizational units as part of the system and even within the health services, there are subsystems such as those pertaining to the private and public sector, those maintained by social security and systematic stratifications also according to level of care. No consideration of the organization of the health systems can be complete without consideration of the financing of the system.

The third orientation is that of health promotion and protection which addresses many of those health problems that are due to behaviour at a collective national or community level or at an individual one.

The fourth orientation is environmental protection and development which represents our response to the expressed needs of our countries to safeguard human health by protecting against physical environmental damage. Important though the mega environmental problems may be, it is the micro ambience that is more likely, in the short and medium-term to affect human health.

The fifth orientation is disease prevention and control that addresses those technologies that must be applied to prevent and control disease. The technology of immunization is perhaps the best known, but the emergence of chronic diseases and the threat of emerging infectious diseases causes us to find new modes of action.

These orientations must and will guide the work of the Secretariat of PAHO and I am confident that all our Member States will take them equally seriously. But if we are to have real progress, they must be acted upon within a health sector committed to reexamining itself and undergoing a process of reform.

Hard on the heels of the Sanitary Conference, the Presidents of the Americas met in Miami and included the issue of health among their concerns. They specifically asked PAHO to take the lead in collecting information about the reforms taking place in the health sector in the Americas. We are currently engaged in intensive dialogue with the major financial and development agencies to

present to a large Ministerial Conference in September a full account of regional development in Health Sector Reform.

Even while we discuss reform with our colleagues, we are responding to requests for technical cooperation in sectoral reform in almost all countries of the Americas. My thesis is that in consonance with the strategic orientations, our technical cooperation must address the two fundamental aspects of reform. These are the organization of the system and its financing. The systems our countries seek are ones that are fundamentally based on equity, and we have developed the conceptual background for the instruments to achieve that. For example, we are convinced that decentralized systems are inherently more efficient - we propose that countries must develop and deliver a basic package of essential services to all its people. We also contend that no country can support the provision from the public purse of all the services that its citizens demand. There has to be a mix of private and public funding for services, but it is clear that there is a public responsibility to provide access to those public health services that by their nature have high positive externality.

But although we believe from accumulated experience that the directions of our technical cooperation are appropriate, it is equally clear that technocratic solutions alone are not necessarily most likely to succeed. There has to be a way to ensure public and political interest and commitment. The presence of the Governor here, this morning, is a clear indication of political commitment and is the kind of guarantee that is necessary for the success of reform.

The title of the Forum includes the word "leadership" and it is apt to reflect on some of the things that are necessary for leadership in this field. I would submit that the first prerequisite for leading a process of sectoral reform is a clear understanding of its context and its reality. The leaders have to understand what are the major determinants of health and which of those determinants are susceptible to reform within the limitations of time and resources. They must appreciate that although the largest expenditure in the health sector is on health care services, these must not constitute the sole focus of the reform effort. Even when there is proper attention paid to the care services, there must be acceptance of the fact that no country can, or will ever be able to satisfy, at least from the public purse, all the demands of its people for care. And as many recent debates have shown, emphasis on care exclusively can be extremely divisive nationally.

But perhaps the most important attribute of leaders in a process of health reform is that of being able to convince all the interested stakeholders of the need for reform and the proper direction of that reform. There must be few tasks that need more painstaking public information than modifying a sector that touches or has touched every citizen. It is here that the skill of intertwining policy with politics is very evident. The politics of ensuring general acceptance of the necessary policies of reform is a task that will stretch all leaders. PAHO can and will continue to offer technical cooperation in those areas that relate to policy but we are less knowledgeable as regards to the politics of reform that leaders must address.

I take it as a given that the primary leaders of this process will be the Ministers of Health and their staff. Even though we all recognize the intersectoral nature of the processes that affect health, yet the manner in which most modern governments organize leadership responsibilities make it imperative for the Health Ministry to take the lead.

It is good to see so many participants from various countries of the Americas who have leadership responsibilities. I hope they leave here infected with the enthusiasm that has characterized the efforts being made by Puerto Rico to reform its health sector. There is no single recipe for reform, but by sharing experiences openly and learning of those often hidden factors that can facilitate or impede the process, all countries can benefit from exchange and interchange. It is one of the responsibilities of my Organization to facilitate that exchange and interchange.

Thank you for the invitation to address you and I am sure the Forum will go well.

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