



**World Health  
Organization**

# POLITICAL ECONOMY OF HEALTH FINANCING REFORM IN THE TIME OF COVID-19

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# POLITICAL ECONOMY ANALYSIS

“Political economy analysis is concerned with the interaction of political and economic processes in a society: the **distribution of power and wealth** between different groups and individuals, and the **processes that create, sustain and transform these relationships** over time.”

# WHY IS POLITICAL ECONOMY SO IMPORTANT FOR HEALTH FINANCING REFORM?



**Redistributive implications**

**Direct impact on money (households, providers)**

**Government intervention is required**

**Reflects core social values**

**High on electoral agendas**

EMBEDDING  
POLITICAL  
ECONOMY  
ANALYSIS INTO  
HEALTH  
FINANCING  
REFORM

1. What is the **problem** you want to solve?
2. What is the **policy** you want to promote?
3. What are **stakeholder group** positions and relative power?
  - Interest groups, bureaucrats, external actors, leadership, beneficiaries, budget actors
4. Design a set of **political strategies**
5. Assess the **impact** of your political strategies

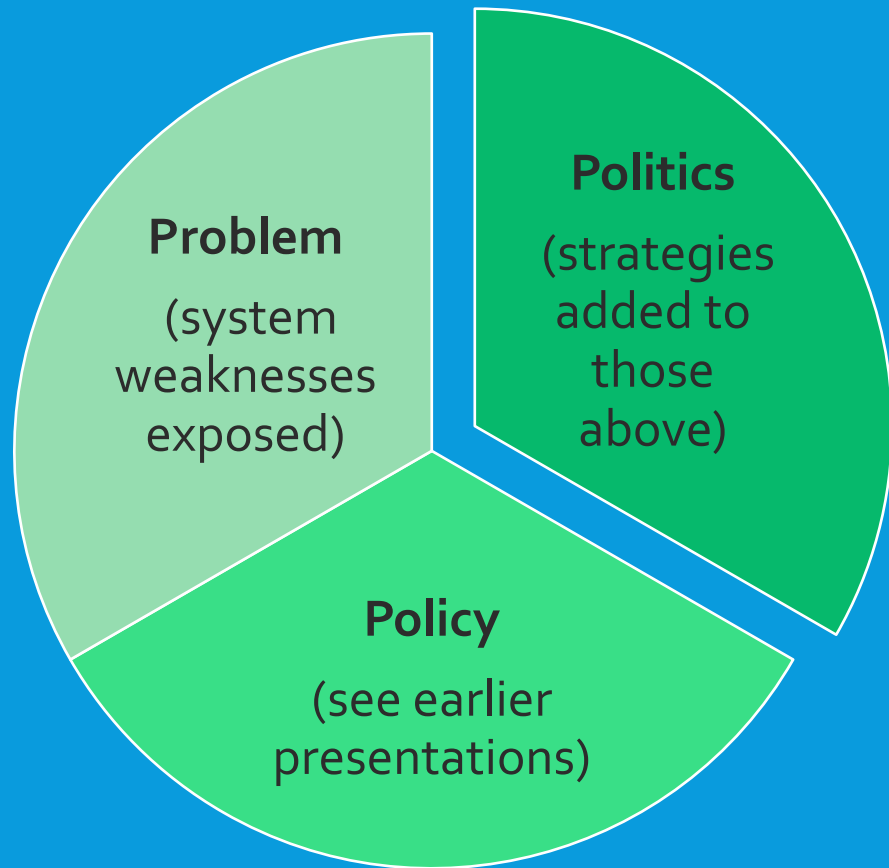
# POLITICAL STRATEGIES TO ADVANCE REFORM:

- **Sequencing** can help overcome formidable challenges to reform
- **Evidence** can sway opposition
- **Adaptation, compromise, flexibility** are needed...while keeping objectives central
- Importance of **public engagement**
- **Multi-stakeholder/allies** involvement (outside MoH) necessary
- **Technical preparations are central** in laying groundwork for political windows of opportunity

# WINDOWS OF OPPORTUNITY FOR REFORM

- **Coverage expansion in the wake of previous economic crisis:**
  - Focused on poor and vulnerable populations
  - Targeted set of services
  - Consolidate and build upon existing programs
  - Opportunity to de-link contribution from entitlement
    - Turkey, Indonesia, Thailand, Japan, South Korea, Mexico, Argentina, Austria, Belgium, Bosnia and Herzegovina, Estonia, France, Greece, Iceland, Lithuania, Montenegro, Republic of Moldova, Russian Federation, Serbia, Spain, Sweden, TFYR Macedonia.
- **Investment in public health, population-based functions (i.e. Common Goods for Health) following health crisis:**
  - Public Health Institutes: Liberia post-Ebola, U.S. CDC WWI and Korean War, South Korea post-MERS, Singapore post-SARS

# PUTTING THE THREE “Ps” TOGETHER IN THE TIME OF COVID-19



- Construct or exploit notions of **collective identity**
- Build evidence on the **salience** of health problem
- **Convince elites** that it is in their interest to be taxed
- Identify reform **champion**

# THANK YOU

