
Editorial

Control over health services in South Africa has shifted from the state during the 1960's and 70's, towards the private sector since 1980. The trend towards privatisation of essential services was precipitated by the economic and political crisis, by unfulfilled promises made to Coloured and Indian voters in the 1983 constitution, and by the boycotts of state-administered services (education, housing, transport) in the black townships throughout the country.

Privatisation is broadly defined as the total or partial transfer of state-provided or administered services to the private sector. Privatised health care effectively amounts to a curative service available in proportion to income.

Arguments in favour of privatisation stress the importance of cost containment and cost-efficiency in health care delivery. The privatisation lobby promises more efficient services that would not cost the state much; fees payable by the patient are supposed to act as disincentives for "overutilising" health services.

Opponents of privatisation argue that privatised health care is care for vested interests, not health needs, and that privatised health services do not provide the whole spectrum of health care.

This issue of **Critical Health** does not profess to provide a comprehensive review of the privatisation debate; rather, it attempts to place this debate in its political and ideological context. The aim is to popularise the issue of privatisation, so that it can be addressed by those whom it most concerns.

The first article, *The Politics of Exclusion*, establishes the historical and political link between privatisation and the 1983 constitution with its extremely fragmented services, the National Health Policy Council, and the new regionalisation programme. *The Ideology of Privatisation* examines the Report of the Commission of Inquiry Into Health Services, and the three-tier health system (state, private, and community services) it proposes for different income groups. It is private hospitals, practitioners, and the pharmaceutical industry that stand to gain from such a health care delivery system - though in different and sometimes contradictory ways. This is shown in the article *Privatisation: The Various Interested Parties*. The state also stands to gain from this proposed health

care delivery system: The abolition of centrally administered state health services entails a depoliticisation of health care. State health officials hope that with privatisation, the state will no longer be seen as responsible for the provision of appropriate and adequate essential services.

Privatisation initiatives coincide with various other state moves to alleviate the political and economic crisis. Deregulation of small businesses, for example, represents a corollary to privatisation. Deregulation implies that the state exempts small businesses from certain minimum social security requirements pertaining to workers. The article on occupational health services outlines the present role of the state, management, and workers in the provision of social security, and suggests some alternatives to the present system.

Cut-backs in the state's expenditure for those health services which it will continue to administer, are another corollary of privatisation. The article on TB screening in industry argues that the assumption of cost-inefficiency, on which the cut-backs in this case are based, is based on an incorrect premise.

Most proponents of privatisation fail to take into account the hidden social costs which will escalate if health care becomes beyond the reach of the majority of people. Research on this aspect of privatisation and on the fee-for-service payment structure has shown that the increase in provincial hospital fees has resulted in a drop in day hospital attendance with an increase in hospital admissions. This indicates that low-income patients suffering from chronic illnesses cannot afford to pay the cost of regular outpatient treatment and, as a result, are admitted to hospitals in larger numbers. Worst hit are low-income patients who are denied access to both public and private health sectors, as they can afford neither hospital fees nor medical aid coverage.

Progressive health organisations have responded to privatisation proposals by calling for a national health service. They argue that privatisation does not address the health care needs of the majority of South Africans, and that it therefore should not be seen as a step towards health care for all.