4.1 M 0 African NationolCongress
a (South Africa)
Postfach 200118, 5300 Bonn 2, Telefon: 0228/ 352295, Teiefax: 0228/381231
ANC_____ Postfach 200118 05300 Bonn2
FAX-TRANSMISSION COVER SHEET
TO: Eomzwze QHLPH MCJH :4 mA
Attention: 1/1me E E13?
Fax NO-: 002311 V 333 RDQD
RE: HENfM 9P1M10M
FR M:
0 % W106 Nwao Uggmm)
DATE: 05 roqvqg,
NUMBER OF PAGES (including coversheet): (g (
MESSAGE:
1W Q1100.
iv
(1)- 4quer W xQXX&r 009W M(Xk umxwm 1L 41:)
x1001,
W 1:. 01 mMmmXu 508 Q NW 36% KNEW
Sggr Mxxgjp c/(gmum%X-CQ::MM
’ (NSQV Sig WNSQ Q, CLVK u
JVVKZAV ier E KR jxmjlij (MN :3? WM fix bx1:
WM VD kg (n, 0: Ww 00300u5f .
QQMNDX;
LMMU
Konto: ANC (South Africa)
Bank fUr Gemeinwinschaft. Bonn: Konto-Nr. 1023 135 700, BLZ 380 10 111
Postgiroamt K0ln: Konto-Nr. 3128 13-509. BLZ 370 100 50

. i M masaraaw
ACTION ALERT!
Dear Friends;
On July 7, 1993 the World Bank will release its World Development Report which this year focuSes on the issue of health. Having studied a draft of the report and compiled our own research on the impact of World Bank debt and structural adjustment policies, ICCAF will also issue a report on health issues in Africa. The accompanying letter. which is still being revised, will also officially be released on July 7. We hope that concerned individuats, groups and organizations will sign-on to this letter as well.
We are asking for your support in sending a clear message to the World Bank. Please mail. phone. fax or e-mail your endorsement by June 80. The e-mall address of ICCAF ls WEBchCAF. The address is 129 St. Clair Ave. West, Toronto, ONT. CANADA. M4V 1N5. The telephone number is 416-927-1124 and the tax is 416-927-7554.
We would like to get as many endorsements as possible so please pass this letter on to other groups and organizations that might be interested in signing on.
Slneorely.
John Mlhew
DRAFT TEXT OF LETTER
7 July. 1993
Lewis Preston
President
World Bank
1818 H Street NW.
Washington 0.0.
U.8.A. 20483
Dear Mr. Preston:
We are writing to you on the occasion oi the release of World Development Report 1996: Investing in Health. Our concern for the issue at health arises out of a moral and practical concern for both the physical and spiritual well-being of persons. Implicit in ear concern is a recognition of the basic dignity and equality of all persons. This leads us to an interest not only in the health of individuals. but also the health the collective body of communities.
Since the heaith end liveii of citizens around the world are very closely linked to the po 3 which yeur institution promotes. we welcome the oppo i nity to focus on this important issue. i
We belleve that the vision of health promoted in the World
I
oganqassggd fi’i/SGd

adjustment agenda which forces countries desperate for foreign exchange to sacrifice the health of their citizens by exposing them to the unwanted waste of Northern countries.

It is the poor who are being forced to pay. through cutbacks in heatth spending and thrOugh reductions. in their living standards and physical weii-being for the irresponsible lending and borrowing that occurred during the 19603 and 19705. During the 19705 Worid Bank lending to developing countries increased five-toid. In spite of very clear indications that this lending was unsustainable. the World Bank continued to increase its tending for projects that have turned out to be environmental disasters and "white eiephants’. The Bank’s own internal review, conducted by W. Wapenhans, points to an alarming 37.5% project failure rate. The same report notes that the worst-attected sectors were in water supply and sanitation where 43 percent of the projects were said to have "major problems’ and in agriculture, with a rate of 42 percent.

During the 19805, the World Bank has increasingiy taken on the role of debt custodian. in effect bailing out commercial banks, Northern governments. the MP and itself by using funds earmarked for development assistance for debt repayments. The servicing of the growing debts owed to the World Bank and the NF are another problem. On average. more than 45% of debt servicing by African countries is for muiti-iaterai debt. The servicing of this debt has directly contributed to the dismantiing of heaith care systems.

The solution advocated by the World Bank in the 19805 has been to encourage indebted countries to increase exports of their primary comnodities. Rather then solve the debt problem. this strategy only exacerbated it as the oversupply of commodities led to plummeting prices. The ’soiution’ to the debt crisis championed by the World Bank in fact has become the cause of further indebtedness. We call on the World Bank to accept its full share at responsibility for contributing to and exacerbating the debt crisis by cancelling the debts owed to it by the poorest countries and channelling these funds towards social sector transformation and growth. We also urge the World Bank to stop lending money for projects which harm the environment and which do not directly involve the maple who will be directly affected by them at every step of the process.

As the world’s largest development institution, the World Bank must take full responsibility for its contribution to the growing poverty and declining heatth of the majority of the world’s peepie. Adopting the recommendations outtined above will indicate the Banks willingness to contribute to the weit- being of the earth and its inhabitants.

Yours sincerely.

exam .1 VWISEC em Nmassaid WSUd

18

92 :w ESEI-WnI-i "

Development Report 1993 fans far short of the most basic requirements for heaith. Instead it promotes a two-tiered system of health care which is economic in inspiration and is distorted by an undue emphasis on privatization and the profit motive. in essence. the report urges poorer countries to cede most health care to the private sector. leaving governments to provide basic primary heaith care for the poor and to try to regulate the private sector.

For the World Bank, health care is not a basic human right to which all citizens should have equal access, but a scarce commodity to be allocated according to ability to pay. This assumption leads to a division of communities and societies into two ciasses of people: the ’haves’ who can afford to pay to: a privatized, protit-driven health care system and the ’have-nots’ who will have to content themselves with the barest minimum of public health care.

The World Bankis vision also invoiVes a division of rich and poor countries. In the Bank’s view, the rich ceuntries are to do heaith research. develop health care technologies and manufacture drugs. white the poor countries must. as far as their means allow them, remain consumers of these health products.

in effect, the World Bank is promoting am intemationai health care system based on the American model. And yet. as the World Development Report itself points out, the US. has the most inefficient health care system in the world. it accounts for 42% of total global health care expenditures, while making up oniy 2% of the world’s population. Even so, more than 30 million people have no access to adequate health care. The American system is dominated by private interests and it is also plagued by inefficiencies and bureaucratization. it is a system which a majority of US. citizens wish to see transformed.

We begin with a very different vision of health We believe health is a basic human right. it marks the dignity of the human person. Health care must therefore be made available to all. regardless of race, class, gender. age. ethnic origin or ability to pay. Health care cannot be efficiently ailoceited by market terces or promoted in a context of growing poverty, high unemployment and environmental degradation. Good health and health care policies can only emerge in an environment where it is awcorded primacy, aiong with education.

in tight of this we strongly urge the World Bank to undertake a critical re-examination of its heatth strategy and of the links between health and the broader issues of poverty, economic and political reform, and intemationai indebtedness. In particular we recommend:

1) That the World Bank promote health care policies which affirm the principles of universality and equat access both within and between countries.

The World Deveiopmeht Report 1993 promotes the introduction of user fees for basic heaith services. in a context ofhigh unemployment, soaring prices and growing poverty this strategy only increases inequities in access to health services and effectively ctoses off access to adequate health care for the poet. The

i

Mi

17219993531 BEE em 34-JaWSSISSeJ-j 17 "she

EE:LD

70

EEET-WHI-SB

tt’r
transtormation oi heatth care into a privatized, user-pay system thus constitutes another assault on both the physical welfare and the basic human dignity of the poor. An example of the consequences of such a system are provided by a Zimbabwean doctor: ’The cost recovery exercise as applied to maternal and child health is resulting in a mortatity and morbidity disaster which is likely to reverse alt the achievements made in this area since independence."
The World Benkts system of heatth cane not only pits richer against poorer members of society, it also tomes famiiies to decide which of their members are to receive treatment. It is in this regard that the inequity of this system of health care for women is clear. Since women and girls presently receive fewer resources in many families, they are more likely to be further discriminated against if health care resources must be rationed. As a result of declining incomes and rising expenses tor basic necessities , many women and girls have aiiso been forced to reduce their intake of food, which only increases their vulnerability to disease and accident. in addition, women are mostiy likely to have to take on the additional work of caring for sick family members when professional care is unatiordabie.
The World Development Report offers up the rather simplistic solution that better education for girls will improve the general heaith of families and communities. This recommendation not on ty ignores the basic issue of gender inequality. it also overlooks the greatest threat to the heatth and weii-being of not only women. but entire communities: poverty.
The World Development Report also argues for a shift of poor ceuntries’ priorities away from health research and the training of health personnel in favour of primary heatth care. While this recommendation seems sensible it masks a number of disturbing realities. The first of these is that white the emphasis on primary health care is positive, it is also selective. It targets individuals for immunization or micromutrient supplements, but does not take adequate account of the close relationship between it! health and the problems of poverty. Targeted remedial programmes for children such as immunization 0r food packages, as outlined in the World Development Report, are not adequate because they are not linked to the improvement of peoples’ economic, political and social environments. ignoring the family and community components of hunger and focusing instead on addressing only their symptoms does not, in our view, embody a holistic and comprehensive vision of health.
Second, this reeliocation of expenditure wrli continue to erode the fragile and important base of research and training in poor countries. The iong-term impact of these short-slghted poiicies will be devastating as indigenous research and training are turned over to private, Northern health institutions. These institutions are hot accountabie to anyone other than their shareholders or boards of governors. They will thus be likely to perpetuate current biases in health care towards biomedical definitions of health problems, as wait as toward the heaith problems of the weiI-to-do and of men.
Third, the shift of government expenditure toward primary
:. Jeri 51.3 3 E. a 41:! T1 45,in
’1’
C)
D
l .L’
0:1
U.)
H
FLA
F J
l J
IT?
"I
.t.
FE :LiZi
17
25.51 nm-se ,

Z?
’S
f
health care includes a call for NGOs and churches to become more involved in the provlslon of health cafe. This can only be viewed as a short-term and inadequate stop-gap. leading to greater fragmentation and considetable variation in the quality and availability ot health care. Longetemt national health planning and coatdinatlon also become extremely difficult, it not impossible. Reduplioation of services and the inefficiency of several bureaucracies are additional results of this. approach.

Finally, in the scenario proposed by the World Bank, with the private sector responsible tar individual cure and the public sector responsible tor collective prevention, there will no longer be an integration of preventative and curative health care.

As an alternative to this approach we feveur a community-based. comprehensive vision of health care where people are given the power and tools to reduce the problems of ilt-health that are intimately related to the economic and social patterns of their society. Comprehensive health care must be part of an overall deveIOpment strategy to combat poverty and promote self-reliance. The provision of adequate health care deends upon a commitment of the state’s resources. This vision can be realized only if the governments, health services and donors all Support this process of change.

2) That the World Bank officially end its support for orthodox Structural Adjustment Programmes for Suh-Saharan Africa, and that the World Bank take a leadership role in debt reduction by calling for a canoeltation of mutti-lateral debt to low-income countries.

The proposals contained in the World Development Report do not address the single greatest factor contributing to the health care crisis in the South. Many countries have been compelled to adopt structural adjustment programmes (SAPS). which have had a devastating impact on the heatth and livelihood of the majority of their citizens. We regard this consequence of the debt crisis to be the latgeet single threat to health currently facing the global community. SAPS undermine the abitity of states to atlocate resources towards either health care or selt-retiant development, and instead turn these resources towards the export sector and debt servicing. How can poor countries possibly give either resources Or attention to health care when Northern banks, G-7 governments, the International Monetary Fund and the World Bank continue to extract obscene rates of monetary tribute from them?

Another effect of cutbacks in public expenditures owing to SAPs has been the resurgence of communicable diseases such as malaria, cholera and yellow fever. The reduction of public investment due to SAPS has also affected the ability of countries to maintain and develop infrastructure in water and public sanitation.

SAPS are also a serious wnstraint on efforts to promote better heatth through more environmentally responsible development policies. The promotion of toxic waste exports to poor African countries by the former Chief Economist ot the World Bank, Lawrence Summers. is an example of this. Hls recommendation was not an aberration, but rather the logical extension at a structural

m1
7899891 833 SVt J nuanqaseadd WW/Sgd
12
92 :ee zeei-jnt: