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Launch of Japanese Report to G8: Sri Lankan experts recommend using financial crisis to advance global health

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Governments around the world must see the current financial crisis as an opportunity to advance healthcare coverage, focusing on better use of existing resources as well as increasing resources, with the support of rich nations.

This is a key conclusion of a report provided to the Japanese Government and Prime Minister by a high-level Expert Taskforce, led by Japan's former Senior Vice Minister for Health, Labour and Welfare, Keizo Takemi. The Takemi Taskforce was organized by the Japan Center for International Exchange (JCIE) with a mandate to develop recommendations to the G8 on how they can help to improve the health of low-income countries. The G8 are the eight leading industrialised nations in the world.

The Takemi report was prepared by a team of leading international health experts from Japan and the USA – guided by reviewers and advisors from around the world - who looked at the problems of coordinating global health policy, the health workforce, health information and health financing. The Taskforce took the unusual step of asking Sri Lankan experts at the Institute for Health Policy (IHP) to take responsibility for the analysis of financing issues. Dr. Rannan-Eliya, Director of IHP, commented that IHP much appreciated this recognition of the availability of leading health expertise in Sri Lanka.

“Financing, as we know here in Sri Lanka, is the key issue for the health sector. Unless we can put in place good policies, it is hard to ensure that the health system works, and that poor people have access to medical treatment”, stated Dr. Rannan-Eliya. “The key to improving the health system in any country has to be reliance on public financing as the key method of raising money. Public financing can be taxation, as we have in Sri Lanka, or social health insurance as in Japan. We have recommended that G8 nations agree to this principle, and take actions to support developing countries that want to follow such policies. This should include supporting countries that want to abolish user fees for government health services, as we did in Sri Lanka fifty years ago.”

The report recognises that people are afraid that the current financial crisis will result in cuts in health budgets, but it notes that the current crisis is unusual, with the IMF asking governments around the world to increase spending. Dr Rannan-Eliya suggests that it is exactly at this time when markets have failed that countries are more willing to look at

improving health coverage: “We can see this happening now in the USA, and we hope that President Obama’s reforms will encourage a global shift in thinking to recognize the importance of public financing in the healthcare system.”

These and other recommendations have been handed by the Japanese to the Italian government as the next President of the G8, hoping to influence the agenda of the 2009 Summit, which will take place in the small Italian island of La Maddalena this July. Dr. Rannan-Eliya added, “We have been very impressed by how open the Japanese have been to bringing in non-traditional viewpoints, even from Sri Lanka, in developing recommendations for the Japanese Prime Minister and G8, and also in their strong commitment to work with developing countries to improve the health of their people.”

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Note to media:

- For further information or interviews, please contact IHP’s media office on (011) 231-4041/2/3.
- Download JCIE report at: http://www.jcie.or.jp/thinknet/takemi_project/index.html.
- Further information on the IHP-JCIE project is available at: http://www.ihp.lk/research/project.html?project_id=HF-001
- The Group of Eight (G8) is a forum for governments of the eight leading developed nations: Canada, France, Germany, Italy, Japan, Russia, the United Kingdom, and the United States, whose heads of government meet annually at the G8 Summit. The Government of Japan held the Presidency of the G8 in 2008, and is succeeded by Italy in 2009.
- An earlier version of the papers was published in January in the *Lancet* with commentary by Margaret Chan, WHO-DG, and former Mexican Minister of Health, Julio Frenk: (Reich MR, Takemi K. G8 and strengthening of health systems: follow-up to the Toyako summit. *Lancet* 2009; **373**: 508–15); and is available online at: [http://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(08\)61899-1/fulltext](http://www.thelancet.com/journals/lancet/article/PIIS0140-6736(08)61899-1/fulltext) (DOI:10.1016/S0140-6736(08)61899-1).

About IHP:

The Institute for Health Policy (IHP) is an independent, non-profit research institution, and a regional centre of excellence for health policy research, working to improve health and social systems in Sri Lanka and the wider region, by supporting, encouraging and informing policy change, through quality research, analysis and training.