



Political Economy Of Health In The Arab World : *Evidence from Morocco*

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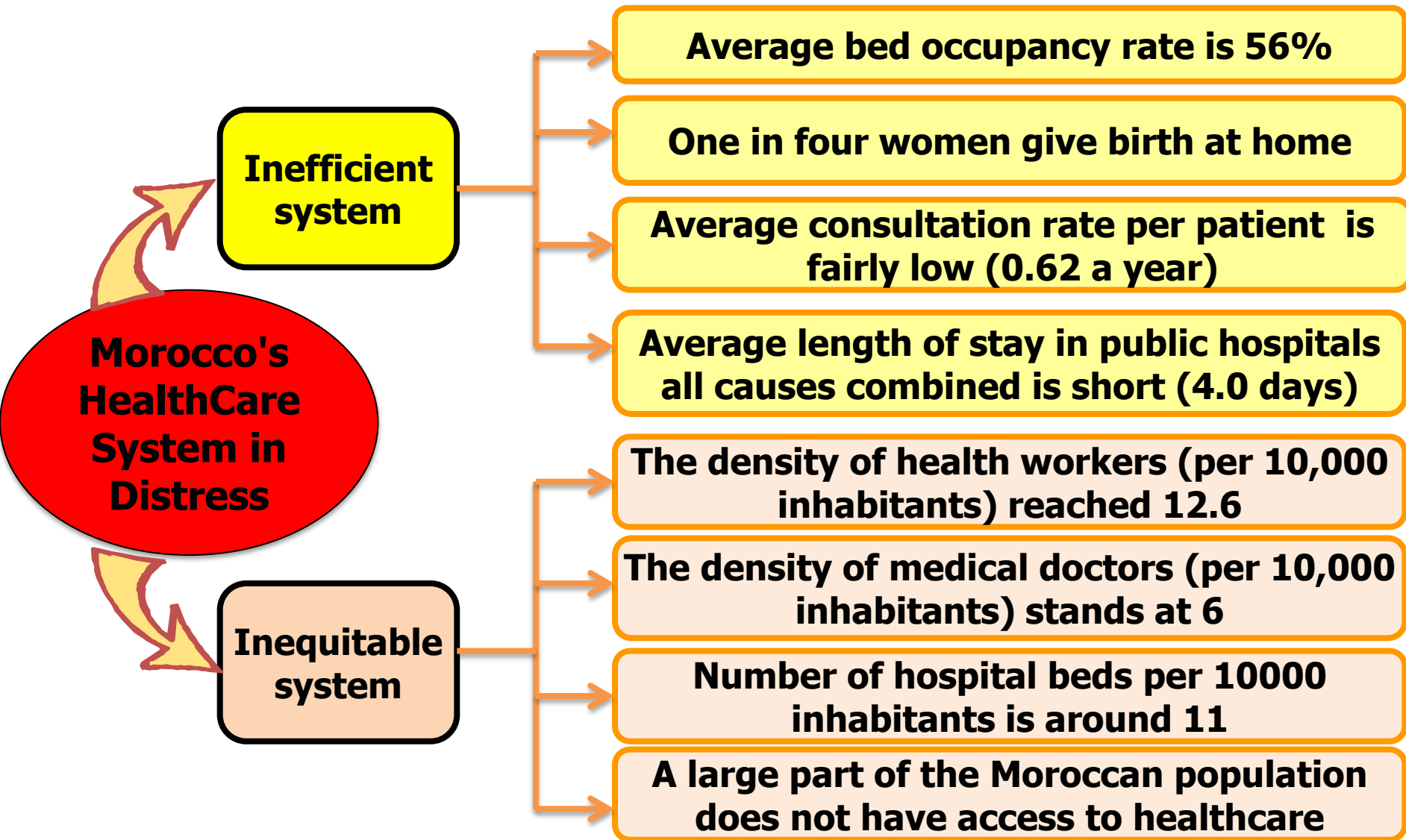
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Presentation Outline

- 1. Preliminary Observations**
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- 3. Main Constraints**
- 4. The Response of Policy-Makers**
- 5. Main Actors' Attitudes**
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Preliminary Observations



Preliminary Observations



According to the HealthCare Index from the Global Database Website, Numbeo, Morocco has ranked last out of 84 countries with a score of 36.87 out of 100.

Based on the Global Health Security Index, Morocco ranks 119th and 95th among 195 countries in terms of vulnerability and health capacity respectively

What is the research objective?



Conducting an analytical exercise on the dysfunctions that occur in the Moroccan healthcare system based on the factors that have shaped the reforms engaged by Moroccan policy-makers.

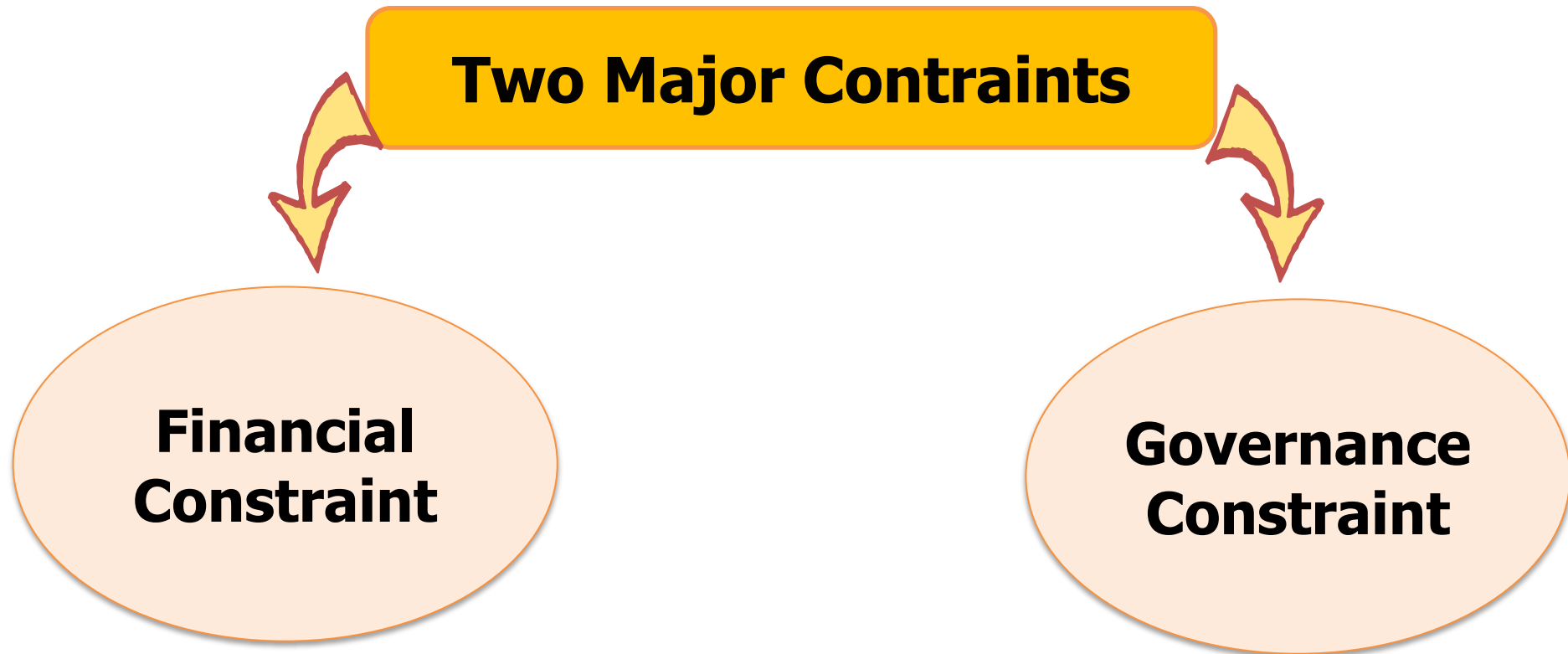
How shall we proceed?



Political Economy Approach

This enables us to better understand the political, economic and social processes promoting or blocking change.

What types of constraints are placed on the Moroccan healthcare system ?



The Financial Austerity Constraint



Illustrative elements

Total health expenditure represent 6.01% of GDP (WHO recommends a 6% of GDP min.)

Morocco's rank : 126th

Domestic general government health expenditure as % of general domestic government expenditure is less than 7.5% (WHO recommends a 12% min.)

Morocco's rank : 132nd

Since 2014, Morocco's health capital expenditure has not exceeded 0.16% of GDP.

Morocco's rank : 94th

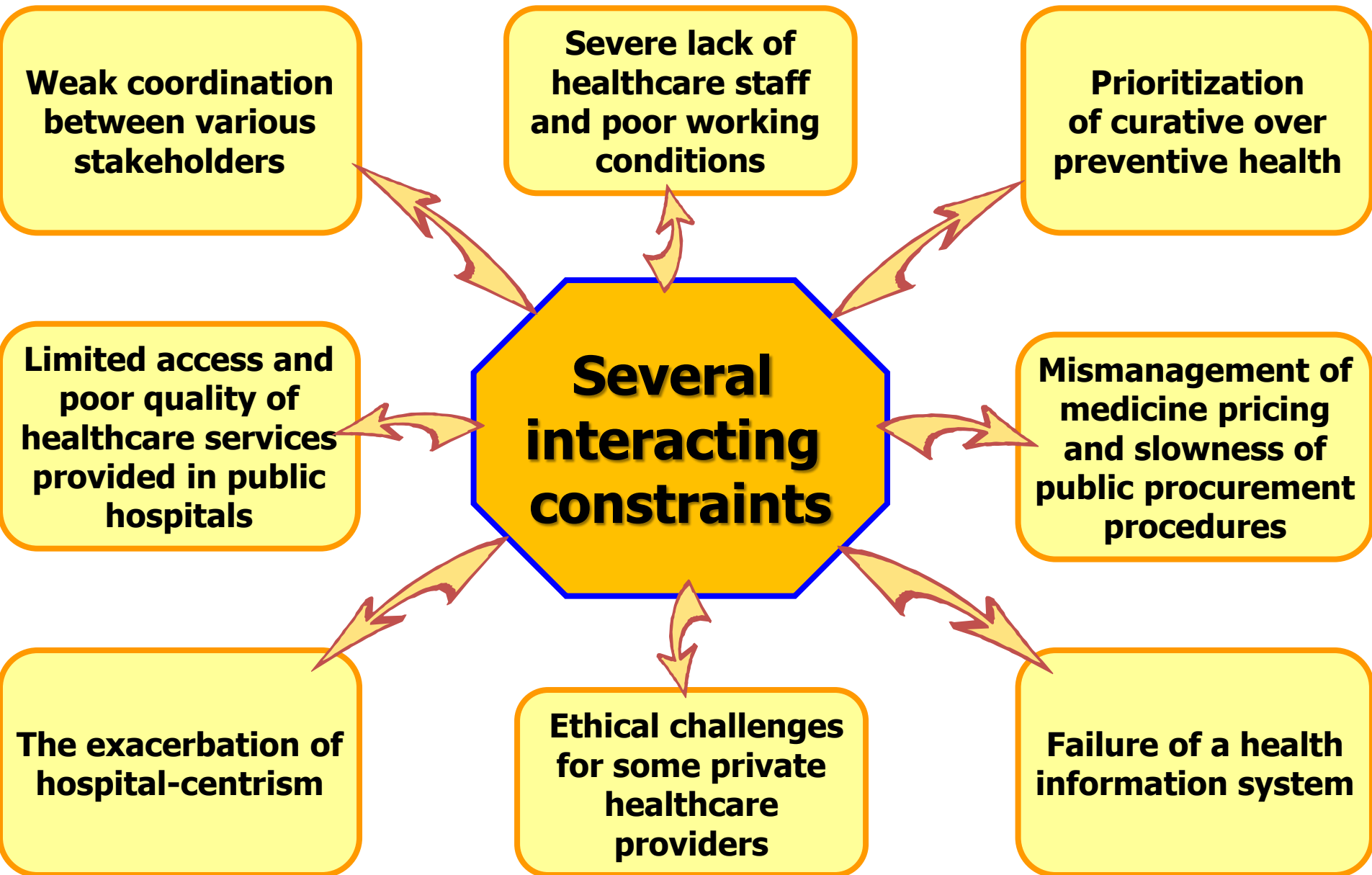
Out-of-pocket health expenditure is very high in Morocco Compared to other countries in the region (57.2% in 2019)

Rapid and Uncontrolled privatization of the health sector has significantly penalized the poor households

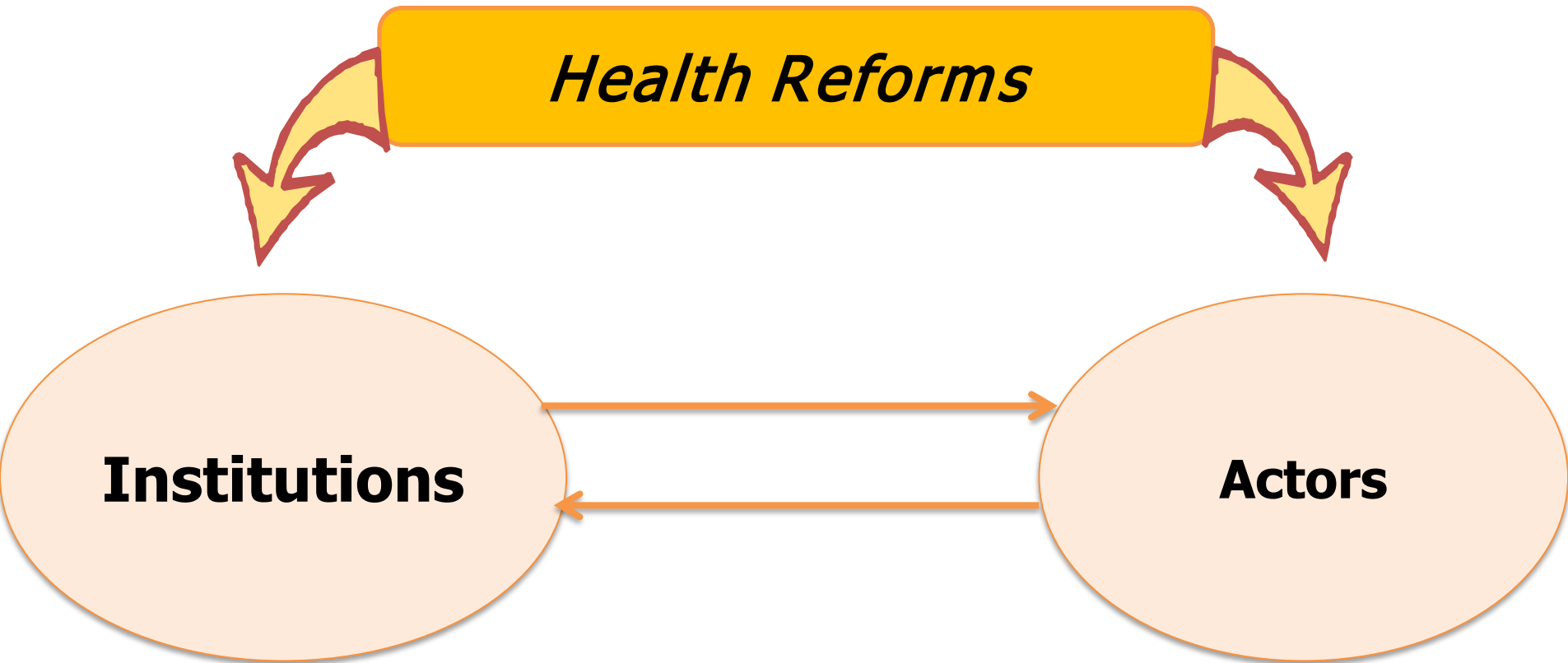
The health sector is seen to be particularly exposed to the risk of corruption (OECD, 2018)

Given the increasing needs of a rising and ageing population, health funding in Morocco is insufficient, Inequitable and inefficient.

The Governance Constraint

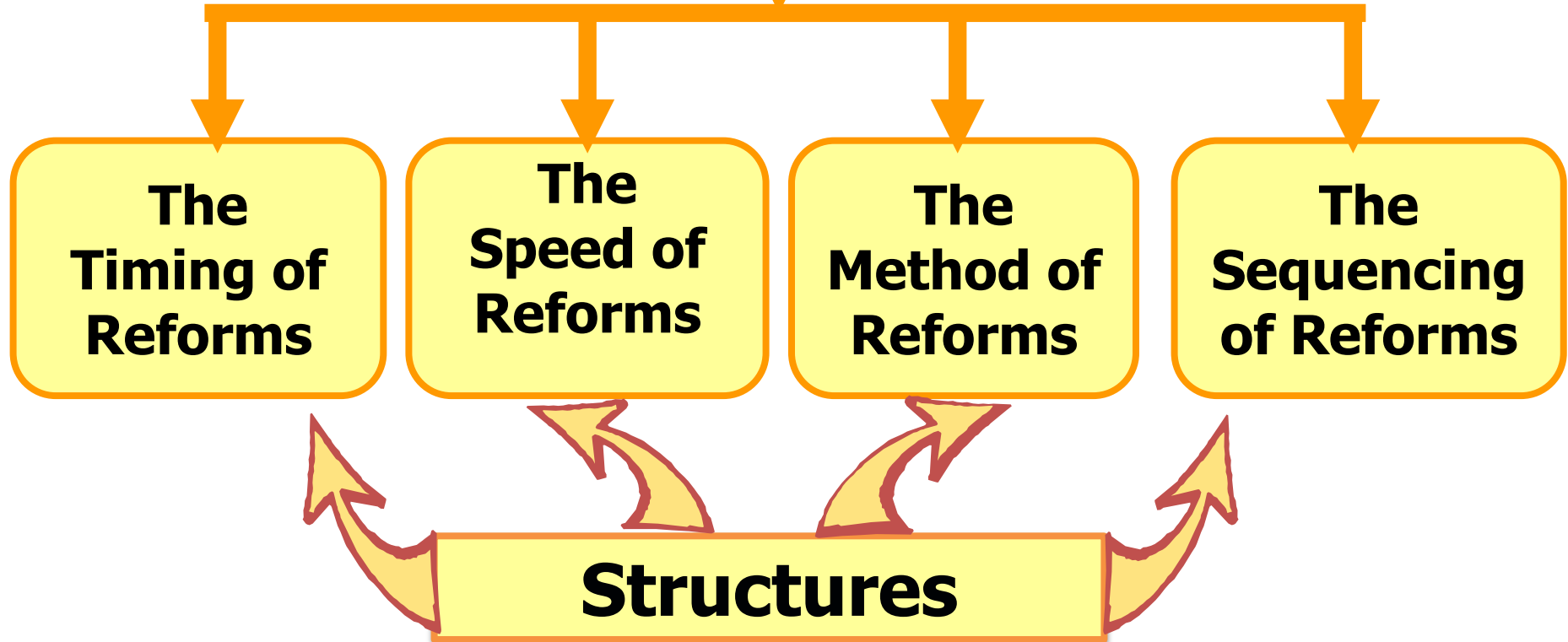


What has been the response of policy makers?



How did institutional reforms come about?

4 factors shaped healthcare reforms



The Timing of Reforms

The process of Reforms started in the early 2000s, driven by four factors

The beginning of a demographic and epidemiological transition

A huge healthcare financing crisis

A rather alarming assessment of the public healthcare system

Failure of neoliberal policies in the health field

This process will accelerate from 2011 onwards, pushed by two factors

The advent of the MDGs in 2000 and later the SDGs in 2015

The 2011 popular protests and the resulting constitutional reform.

The Speed of Reforms

Policy-makers have opted for a cautious gradualism, which consists in introducing reforms slowly over time

This approach is more **credible** than big-bang from a budgetary point of view because the financial costs are spread over time;

Besides, this approach is more **viable** than big bang because it provides information on whether to continue or stop the process of change in the future.

This approach allowed changes to be spread out over the long term, allowing sufficient time for stakeholders to organize themselves to disapprove of the planned reforms.

The Method of Reforms

Policy-makers have opted for the consensual rather than the dictatorial method.

This method has had the advantage of gaining the support and buy-in of as many stakeholders as possible, and therefore reducing of the risk of conflict.

The points that upset are often relegated to the lowest priority and agreement was often reached on the lowest common denominator

Whenever negotiations appeared to be deadlocked, the government did not hesitate to use force to unblock the situation, as was the case during the negotiations to reduce drug prices.

The Sequencing of Reforms

Policy-makers have chosen to prioritize reforms according to their urgency, their level of conditionality and their political feasibility.

1st step

Responding to the Financing Issue (extension of medical coverage)

2nd step

Reforming the organizational structure of the healthcare system

3rd step

Downward Revision of Medicine Pricing

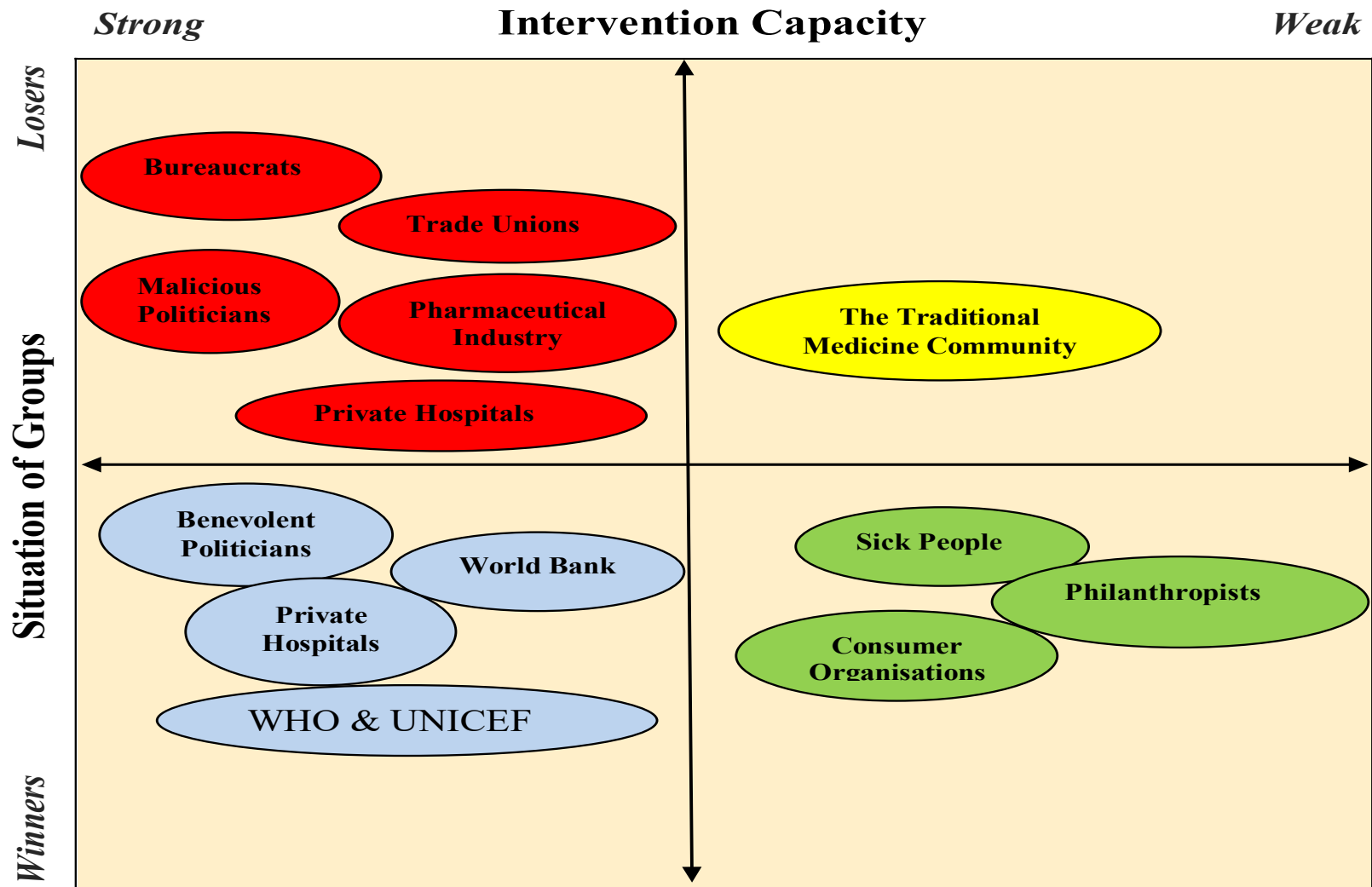
4th step

Opening the healthcare market to non physician investors

5th step

Launching of a new reform of medical studies

How did the actors shape the reforms?



Outcomes of Reforms

Given the depth of the crisis in Morocco's healthcare system and the political risks that may ensue, the modus operandi of the changes was based on a kind of rational pragmatism.

Main Contrasting Results

Despite the bold reforms undertaken, the level of internal efficiency as well as the level of equity remains distressing.

Morocco is well-positioned with respect to the MDGs' health objectives.

Morocco managed in improving the external efficiency of the healthcare system.

Morocco has successfully completed the first stages of the reform cycle, but implementation is extremely slow, hesitant and unwieldy.

Conclusion and Implications

In Morocco, the healthcare system is dominated by rent-seeking logic. Even the reforms adopted are sometimes a source of rent

The current crisis not only highlights operational and economic issues, but also raises fundamental societal and ethical questions.

The Crisis of Confidence in the Moroccan Healthcare System

Towards a Holistic Approach of reforms

The Covid19 shock is an opportunity to reform healthcare system reforms for the better

- ✓ **Rethinking the financing of healthcare considering social and societal constraints**
- ✓ **Rethinking the relationship between the public and private system**
- ✓ **Reversing the situation of hospital-centrism of healthcare**
- ✓ **Rehabilitating the informal health institutions**
- ✓ **Physicians should be incentivized to focus on social determinants of health**
- ✓ **Fighting Corruption and Establishing of an efficient information system**

**Thanks for your
attention**