



سياسات أفضل نحو صحة أفضل BETTER POLICIES FOR BETTER HEALTH

BRIEFING NOTE
POLITICAL ECONOMY OF HEALTH
MENA REGION
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KEY MESSAGES

- The political economy of health examines politics, economics, and the interplay between them in order to provide an in-depth understanding of health systems in a certain context.
- Assessments of the political economy of health can help inform a variety of health system stakeholders, including policymakers, researchers, and international agencies, to better understand the incentives and drivers at play for the design of politically feasible strategies for health policy reform.
- Current challenges of health policy and systems in the Middle East and North Africa (MENA) region include: weak and fragmented health system governance, fragmented health financing and delivery arrangements, health disparities, and structural deficits.
- The political economy of health in several countries in the region is diverse. It is partly based on a state-centered model and partly on a free-market liberal model, with little state presence and regulation.
- Weak institutional capacity, lack of political will, limited policy dialogue, and lack of transparent mechanisms for determining access to healthcare are key political economy issues that can help explain current health system challenges in the MENA region.

RECOMMENDATIONS

Given the political economy of health in the region, it is recommended that efforts for health policy reform and the research agenda in the region be directed towards:

- Advancing the knowledge, and wider understanding, of the political economy of health in order to pursue successful health policy reform in the MENA region.
- Building the national and regional capacity to strengthen the state and social health policy leadership.
- Establishing state-society platforms that enable and sustain policy dialogue and joint policymaking.

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WHAT IS THE POLITICAL ECONOMY OF HEALTH?

The political economy of health is the study of both politics and economics, and the interactions between them, to provide an in-depth understanding of health systems. The political economy of health focuses on political decision-making and how resources are distributed and contested in different contexts. It considers the underlying interests, incentives, rents and rent distribution, historical legacies, prior experiences with reforms, social trends, and how all of these factors effect or impede change in the health system in a certain context.¹⁻²

This briefing note seeks to raise awareness of the significance of assessments of the political economy of health for a better understanding of health systems and the design of politically feasible policy reforms. It informs health system policymakers and stakeholders in the Middle East and North Africa (MENA) region and globally of the key issues in the political economy of health in the region. It aims to advance knowledge and understanding of the application of political economy to promote health reform in the region with an emphasis on advancing people-centered health systems and strengthening the capacity of state and social actors (including non-state), and the dialogue between them, to promote evidence-based health policies in the region.

Box 1 provides a summary of how the briefing note was developed.

BOX 1. HOW THE BRIEFING NOTE WAS DEVELOPED

This briefing note draws mainly on the study conducted by the Middle East and North Africa Health Policy Forum (MENA HPF) titled “The political economy of health policy in the MENA region: shaping a health policy research agenda” (MENA HPF final report, March 2014). The report was based on a literature review of i) political economy and its approach to the role of society and the state and state-society relations in health policy, and ii) health sector and health policy in the region, as well as a review by MENA HPF members. In addition, this briefing note draws on other sources to further explore certain areas related to the definition of the political economy of health, its application, and its significance for various health system stakeholders.¹⁻¹²



WHY POLITICAL ECONOMY OF HEALTH?

Assessments of the political economy of health can be valuable to a variety of health system stakeholders, including policymakers, researchers, and development agencies.

POLICYMAKERS

- The process and impact of policy reform are rarely smooth and predictable. A better understanding and management of the political economy of health can support the design and implementation of technically sound, country-owned, sustainable reforms that lead to policy change.³
- Assessments of the political economy of health enable policymakers to better understand the incentives and expectations at play and to manage these to devise politically feasible strategies for health policy reform.³⁻⁴
- Assessments of the political economy of health can promote effective stakeholder engagement.³

RESEARCHERS

- Understanding and addressing issues related to the political economy of health can improve the likelihood that results from an analysis of contextual information will influence decisions and enable the successful generation and implementation of policy.³
- Assessments of the political economy of health can help researchers explain why an apparently committed reform champion has only delivered piecemeal reforms, or why reforms inscribed on paper or in legislation are not implemented in practice.³
- Assessments of the political economy of health can identify entry points for policy dialogue and highlight issues where an evidence-based research agenda can be effective in shaping health policy.⁵

DEVELOPMENT AGENCIES

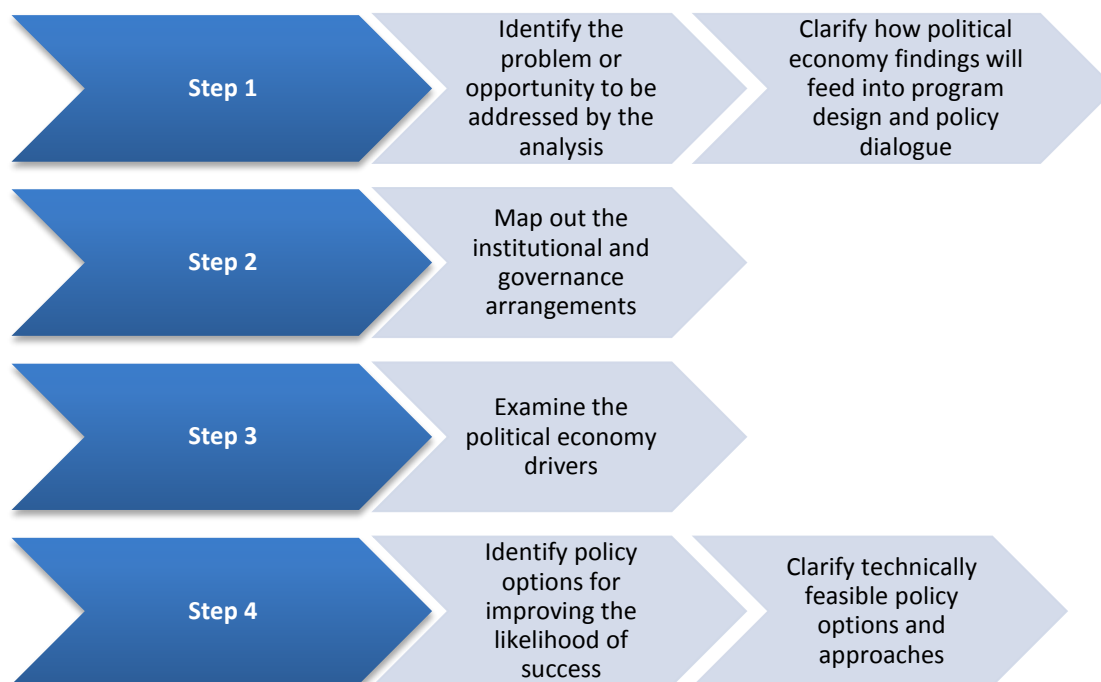
- The application of the political economy of health can assist development agencies in their roles to promote effective health policies by enhancing understanding of the prospects for reform and by indicating approaches and options that could work more effectively in the specific political and economic context.³⁻⁴
- Assessments of the political economy of health can help reduce project risk and improve the likelihood that funds will be disbursed and project objectives achieved.³
- Assessments of the political economy of health enable development agencies to understand why certain countries are resistant to proposed solutions for addressing challenges.⁴



HOW TO CONDUCT AN ASSESSMENT OF THE POLITICAL ECONOMY OF HEALTH?

An assessment of the political economy of health typically scrutinizes a health system problem, explores the factors explaining the problem, and then examines possible responses to address it. It may involve multiple analytic tools, including institutional review, rent analysis, historical analysis, and stakeholder analysis, in order to ensure that important aspects of the problem are not missed.^{1,4}

An assessment of the political economy of health usually involves the following steps⁶:



Further details on the different types of political economy assessments as well as common political economy concepts and variables are presented in Appendices 1 and 2.



KEY ISSUES IN THE POLITICAL ECONOMY OF HEALTH IN THE MENA REGION

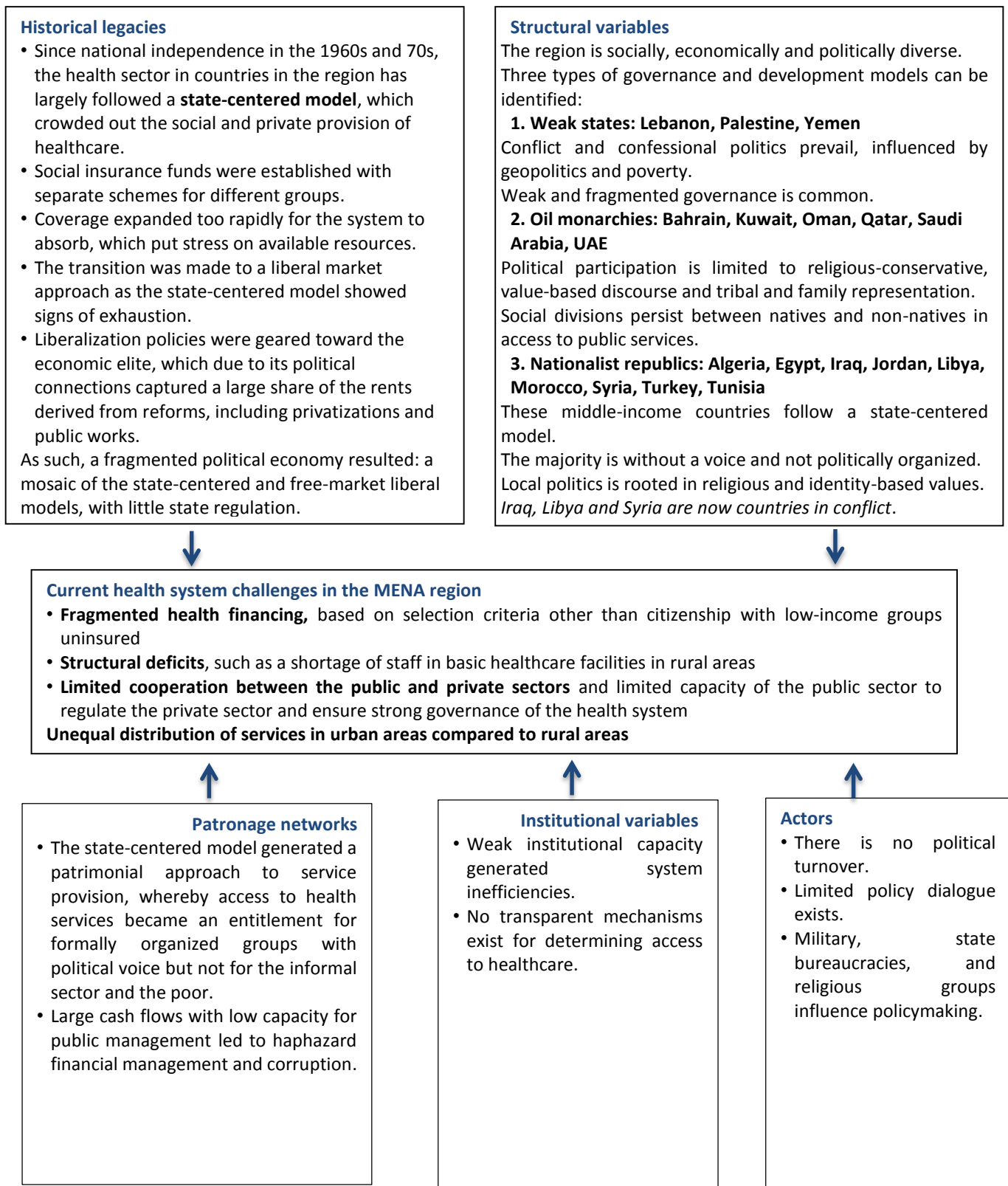
There is a need to strengthen mechanisms for health system governance in the region, help policymakers better understand the obstacles to successful reform, reduce health disparities, improve financial protection from catastrophic health spending, and promote high quality care. Assessing the political economy of health in the region can help inform efforts to address the current challenges, especially in cases where the ability of governments for reform is limited.⁵⁻⁶

Several key issues in the political economy of health in the MENA region emerge from the literature.⁵ Political economy themes that can help explain current health system challenges can be categorized under five main headings: historical legacies, structural variables, institutional variables, patronage networks, and actors.

Figure 1 below summarizes the key political economy of health issues in the MENA region.



FIGURE 1. POLITICAL ECONOMY OF HEALTH ISSUES THAT HELP EXPLAIN CURRENT CHALLENGES



OPPORTUNITIES AND RECOMMENDATIONS FOR HEALTH POLICY REFORM IN THE MENA REGION

The current socio-political changes unfolding in the region since the onset of the Arab uprisings created a momentum for health policy reform in the region.^{5, 7-8} This emergence of active social groups calling for more accountable and fairer public services and inclusive decision-making opens possibilities for state-society partnerships in health service provision, which ideally would result in more effective, efficient, fair, and accountable health systems.⁵

Based on the political economy of health in the region, it is recommended that efforts for health policy reform and the research agenda in the region be directed towards:

1. Building national and regional capacity to strengthen the state and social health policy leadership

The institutional capacity for making health policy informed by evidence should be strengthened at the regional and country levels in order to enable the transformation from centrally planned to responsive, evidence-based policies. Additionally, there is a need to strengthen the capacity of the social and state health policy leadership to address health and its social determinants, including education, gender, and economic inclusion.⁵

2. Establishing state-society platforms that enable and sustain policy dialogue and joint policymaking

The Third Global Symposium on Health Systems Research (2014) emphasized participatory governance mechanisms and people-centered health systems, through shaping health systems by incorporating people's voices in order to serve the public interest.⁹ A collaborative approach to health policy entails establishing state-society platforms to enable, promote, and sustain state-society, evidence-based policymaking, policy dialogue, joint policymaking, and collaborative health policy implementation.^{5, 10}

3. Advancing the knowledge, understanding, and application of the political economy of health for health policy reform in the MENA region

There is increasing awareness that development cannot be understood or managed without explicit recognition of the political economy in shaping reform.⁴ Political economy analysis of health systems in the MENA region can help identify areas where health policy can be made more effective and responsive to the population.⁵

Advancing this agenda in the MENA region entails different roles for different health systems stakeholders⁵.

11-12.

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- | | |
|---------------------------------------|---|
| Policymakers | <ul style="list-style-type: none">• Strengthen the capacity of policymakers to access evidence and assess its quality, cost effectiveness, and local applicability.• Strengthen the capacity of policymakers for participatory, people-centered governance.• Strengthen the capacity of policymakers to address health and its social determinants.• Raise the awareness of policymakers and strengthen their capacity to understand and apply assessments of the political economy of health in order to design and implement health system reform.• Engage policymakers in state-society policy dialogue and collaboration for <u>JOINT POLICYMAKING AND SERVICE PROVISION.</u>• Foster communication and exchange between health policymakers and researchers and implement effective knowledge translation mechanisms and tools. |
| Researchers | <ul style="list-style-type: none">• Strengthen the capacity of researchers to conduct relevant health policy and systems research, engage with policymakers in various stages of research, effectively disseminate research, and engage with policymakers on the use of evidence in policymaking.• Strengthen the capacity of researchers to understand and apply assessments of the political economy of health to inform the design and implementation of health policy reforms.• Foster communication and exchange between health policymakers and researchers• Health policy and systems research in the region should provide an assessment of current gaps, needs, and existing capacities and a comparative analysis of best practice across the region and globally in order to inform capacity building and evidence-based health policy dialogue (Appendix 3). |
| Development agencies/ funders | <ul style="list-style-type: none">• Support political economy analysis to enable a better understanding of health systems in certain contexts and inform the design and implementation of context-sensitive reform strategies.• Support policy-relevant research through funding research components and incentivizing researchers to engage with policymakers.• Support state-society platforms that enable and sustain policy dialogue and joint policymaking. |
| Civil society | <ul style="list-style-type: none">• Strengthen the capacity of social leadership to participate in health policymaking and promote a “health in all policies” approach.• Engage civil society with researchers in health policy-relevant research.• Engage civil society in state-society policy dialogue and collaboration for joint health policymaking and service provision. |
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APPENDICES

APPENDIX 1. TYPES OF POLITICAL ECONOMY ANALYSIS

There are three kinds of applied political economy analysis. Each type of analysis serves different purposes and requires different resources such as expertise, time and money.⁴

	In-depth analysis	Stakeholder analysis	Rapid analysis
Summary	Detailed analysis to provide contextual analysis and assist in political strategy generation	Problem-oriented analysis to aid decision-making and generate political strategies	Rapid diagnostic assessment, uses a questionnaire to assess current political circumstances
Focus	Provides broad contextual information to assist policy analysts seeking practical solutions, and helps to identify political strategies	Supports development of action to enhance the political feasibility of a specific policy	Measures political commitment for reform and identifies specific opportunities for policy reform
Approach	Applies theories of political economy to analyze and explain events	Uses stakeholder analysis and political strategy assessment to propose actions	Applies theory-based tool for political analysis in the form of a questionnaire
Requirements	Requires specialized training for literature review, interviews with key stakeholders	Requires no special training, requires a clear policy decision for analysis	Requires no special training, easy to implement using questionnaire, can be repeated over time for monitoring purposes
Who	Experts/researchers with knowledge of political economy literature, training in associated methods	Informed policy analyst with additional guidance	Informed policy analyst with no special training

APPENDIX 2. COMMON POLITICAL ECONOMY CONCEPTS AND VARIABLES

Political economy assessments typically cover the following concepts and variables¹:

Concepts and variables	
Structural variables	<ul style="list-style-type: none">• Features that affect the political economy of a country, tend to change only slowly over time, and are beyond the direct control of stakeholders• Examples: economic base and level of development, geography, poverty, and equity/inequality
Institutional variables	<ul style="list-style-type: none">• Formal: constitutional set-up, electoral rules, political system• Informal: patronage networks
Actors/stakeholders variables	<ul style="list-style-type: none">• Identifying and mapping stakeholders and their relative influences and power relations• Examples: political parties, external donors
Winners and losers of reform, and veto players	<ul style="list-style-type: none">• Mapping stakeholders and their influence and positions in proposed reforms
Historical legacies	<ul style="list-style-type: none">• Key trends, events, processes, and policies in history
Rents	<ul style="list-style-type: none">• How economic and political rents emerge and how they shape incentives
Patronage networks, clientelism, and neopatrimonialism	<ul style="list-style-type: none">• Terms used to describe situations in which formal and informal institutions (strongly) diverge, and informal rules are subversive of formal ones
Other concepts	<ul style="list-style-type: none">• Such as political market imperfections or the limited access order framework

APPENDIX 3. STRATEGIC DIRECTIONS FOR FUTURE RESEARCH ON HEALTH POLICY IN THE REGION

Proposed research agenda for advancing evidence-based health policymaking in the MENA region⁵:

(I) New thinking: country and regional institutional capacity

Objective: To contribute in the strengthening of state and social health policy leadership

Research areas:

- Map the capacity for **evidence-based policymaking** at the country and regional level
- Map the potential state, social, and state-society **platforms** to house and develop health **policymaking skills**, knowledge, and evidence-based analytical capacity
- Identify global, regional, and country-level best practices that can be replicated to advance evidence-based analytical capacity in specific countries and in the region

(II) Joint effort: a new form of health policy governance

Objective: Contribute to the creation of state-society platforms that enable and sustain policy dialogue and joint decision-making in time

Research areas:

- Map existing practice in the region in state-society policy dialogue and collaboration in terms of health
- Locate potential areas that may host state-society platforms for policy dialogue and collaboration at the national, subnational, and local levels
- Identify best practices from global experience in creating and sustaining the active role of state-society platforms for policy dialogue and collaboration

(III) Reaching out: a stronger presence of health policy in the community

Objective: Contribute to the assessment and better understanding of health systems as they currently function and increase the feasibility of health system reform strategies

Research areas:

- Conduct country-level health system assessments with an emphasis on health promotion and access to health services with a people-centered approach
- Develop models of best practice in country-level health systems assessment (e.g., European Observatory)
- Support interaction and policy dialogue between donors and recipient countries by providing context-sensitive analysis of donor proposals to country-level decision-makers
- Disseminate country health system analyses and evidence in the region and the donor community to improve the level of policy dialogue
- Explore best practices in community-level state-society platforms geared at enabling joint problem solving and policy decision-making during implementation (e.g., networked service provision)

(IV) Re-linking health to social development

Objective: To contribute to the capacity of health state and social leadership to promote, participate, and help coordinate a “health in all policies” approach



Research areas:

- Joint cross-disciplinary evidence collection of socio-economic, political economy, sociological, and other factors related to poverty, exclusion, and the social determinants of health
- Joint cross-disciplinary policy input on issues of poverty, exclusion, and social determinants of health
- Contribution to studies in other sectors whose progress impacts health, by providing evidence and analysis from various disciplines

