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# Effects of Globalization on Health Governance in Bangladesh

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#### Abstract

The paper mainly focuses the adverse impact of globalization on health sector in Bangladesh. Access of the common people to health care has already been difficult due to expensiveness, lack of transparency and good governance in management process, though globalization has expanded the infrastructural and logistic supports of the sectors across the world. In Bangladesh, medicine intake, as if, is a regular having item for the majority of the people – a disease is cured by having one medicine – but another disease is being generated as a result of its side-effects. In addition, medical promotion activities have reached from 500 bed-hospitals to a village medicine vendor that has been made the sector healthy to health business elites. The study mainly aims to explain the adverse influences of globalization on health care system. Besides, specifically it objectifies the corruption and irregularities of medical service focusing the high cost of this facility. The work is an explanatory type of basic study which has been conducted in qualitative approach. Secondary data has been used herein of that sources include the books, journal articles, media report, organizational records, etc. Good governance, proper adjudication activity, commitment of policy makers, skilled human resource management may curb or end the irregularities in Bangladesh health governance.

Keywords: Health business, Business elites, Privatization, High cost, Common people, Health tourism, Irregularities.

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## **1. Introduction**

Health care is a basic right to human being; but presently it has been a great problem to the low and middle income group of people in Bangladesh. Medical services are being sold and bought at a high price in private medical centers or hospitals not only in Bangladesh but also across the world. Business elites make their Medicare institutions the well-setting sources of making money; though they were to be the centers for social service. On the other hand, the public hospitals are not in proper conditions to serve the medical treatment especially for the commons – because government doctors are also involved as practitioners in such those private medical centers or hospitals for extra huge income - brokers, agents of them are set up there to take away the patients to the centers. Following the globalization policy, social sectors (health, education) are left to market line as business items. This policy adopted for protecting the health related human rights; but it is regretted that it has been a one kind of safe and profitable business. There is no loss in the businesses as which work centering human basic needs (health) – it is a matter of life - so people are being always trapped by the health business owners. Presently almost 65 percent of child birth is being done by cesarean operation in private hospitals and clinics; though they are mostly unnecessary – it should be under 15 percent as per global standard - but money making trends of doctors and hospital owners make this situation vulnerable. Medical expenditure has increased about 70 percent than that of 15 years back in Bangladesh. As per the privatization and deregulation policy, medical services are reached up to villages and slums in urban areas; but common people have getting trapped in the cost web – even they are suffering from disease-cycle having medicine and its side-effects – they are puzzled to understand where they can get proper treatment. Everywhere the money thrusters are sitting for money-making service in guise of medical servicemen. The elderly poor people are presently regarded as mostly vulnerable group - they are suffering from different diseases, but they have no money enough to be better medicated - the state authority cannot ensure their health rights actually due to the unethical practice of private medical sectors and bad governance in public sectors. Local and Multi National Companies (MNCs) expedites the health business enormously by promoting their medicinal items by their representative and greedy doctors engaged mainly in their private practice places (diagnostic centers or clinic or own chambers). Globalization makes the health care system available everywhere through privatization policy; but they are, as if, untouchable to the commons – these are only for the riches – these are the platform of health related businessman.

#### **1.1.** Objectives of the Study

The paper mainly aims to analyze the adverse impacts of globalization on health care management in Bangladesh. Moreover, there are several specific objectives. These include:

- a. To identify that private health care system is a one kind of profitable business not a social service.
- b. To explain the miserable conditions of the low income patients in access to health care in the age of globalization.
- c. To investigate the scenario of irregularity, mismanagement and corruption in Bangladesh medical section.

#### 2. Methodology

The study is an explanatory type of basic research work that has been conducted in qualitative approach. The paper is made mainly by secondary data of which sources are books, journal articles, media report and organizational records. The document analysis has been done through library work and web browsing for online data materials. Practical self-experience and empirical observation reflects the primary data source herein. General analysis method of descriptive type of study is applied hence for data process and report design.

#### **3. Results**

There have been found some results that have identified the problematic picture of Bangladesh health care management especially the private health care in the influences of global actors. These are:

- a. Private health care system is a safe and profitable business instead of social service.
- b. Access to health care is gradually getting very expensive in Bangladesh.
- c. Corruption and mismanagement is a common and regular phenomenon in Medicare section.

#### 4. Discussion

#### 4.1. Background of Liberalization in Health Management

All types of social services are getting privatized or liberalized gradually all over the world for the interest of efficient services and socio-economic growth. Health care is also a sector which is running at full private business style in Bangladesh like other countries. In Bangladesh, mainly it comes under market line in early 1980s following the conditionality and prescription given by donor agencies while providing loans and assistances. Privatization or neo-liberal ideology is a strong element of globalization that should be discussed first before going towards main discussion. The term globalization appeared as early as civilization, but in modern age it has gone from being a jargon to cliché. In 1964, McLuhan talked about 'the global village' in his celebrated study of media (McLuhan, 2002). Over the years, the concept of globalization has been both discussed and denied differently by scholars and institutions. Walby (2003) defines globalization as 'a process of increased density and frequency of international or global social interactions relative to local or national ones'.

Actually globalization process gets institutionalized in 1947, through establishing GATT which is the mother organization of World Trade Organization (WTO). It is main aim was to eradicate the discrimination of global trade and increase the business growth. In order to meet up this ideology it adopts some polices namely liberalism, privatization, deregulation and reduce the tariff or non-tariff barrier through holding the hands of 'Washington Consensus' occurred in 1989. Besides, in 1940s World Bank (WB) and International Monetary Fund (IMF) emerged in global arena and they started to function as a facilitator for economic and trade growth ending all discriminations.

Social sectors (health, education) came to the market line mainly through donor agencies (WB, IMF, WTO, ILO, OECD, Western Developed Countries) imposing conditionality with assistances. The conditionality includes wider reforms in social, political, economic and cultural sectors. Programs of reform typically involve: currency devaluation, reduction or elimination of foreign exchange controls, deregulation and privation of industry and services, removal of wage and price controls and subsidies on agriculture, food, energy and transport, cuts in public expenditure and social services (health, education) including transfer payments and public employment (Owoh, 1996; Townsend and Donkor, 1996; Lopes, 1999).

Bangladesh and other developing nations receive assistances from the donor agencies through abiding by their conditionality. As a result, most of the social services including health, education, transport, and telecommunication are getting privatized and deregulated. Following these processes, though the availability of health services has been increased enormously; its costs gradually go beyond the accessibility of the low and middle income group. That's why, health related complication increases everywhere. In Bangladesh, though life expectancy has been raised, health comfort or happiness decreases. Income inequality rises in society – the commons actually can hardly access to expensive medication service except herbal and traditional Medicare system that harms the patients frequently. Local and multi-national medical business conglomerates are doing their business with a high turnover. In fact, privatization policy comes to light for the advantages of multi-national medical companies and business owners.

#### 4.2. Health Business within Globalization

Structural Adjustment Programs (SAPs) reflect the neo-liberal ideology that drives globalization. This ideology has been promoted by World Bank and International Monetary Fund (IMF) for developing countries since the early 80s by the provision of loan conditional on the adoption of such policy. Governments are encouraged and forced to reduce their role in the economy by privatizing state-owned industries, including the health sector, and opening up their economies to foreign competition (World Health Organization, 2015). Globalization is a process by which business (social sector business) windows have been easily opened in the whole world – MNCs are doing business worldwide profitably and uninterruptedly – local business companies are also doing so. Donor agencies (WB, IMF, WTO, OECD, and Developed Country) played a vital role in uncovering the doors for the social business (medical, education, telecommunication, and energy) in favor of MNCS and local business groups through different loan conditionality and policies. It is observed that global authorities work as a facilitator of the global business conglomerates so that global business growth increases sharply – they all are working partners each other as per their reciprocal interests – their eyes lay belongings to the developing nations. In fact, such type of global activities make a sharp business and economic growth – but these are mostly gone to the 'interest boxes' of the business groups – the commons are getting share very little from; rather complicated living pattern, inequality and deprivation hurt them in every step.

If a scenario of global medical equipment business is mentioned in the paper, it will be astonishing to view the yearly return of them. Only Johnson and Johnson Co. made the total revenue of USD 28.7 billion, whereas General Electro Co. did USD 18.1 billion in 2014 (S and P Capital IQ, 2014). In the same way, all other multinational medical companies are making profits as well year-on- year; even they have no record of losses – the success of free market economy lies here notably. Actually it is observed that business for social services never incurs any loss – as this is running centered to the lives of human being - emotion, sorrow, pains herein function as a business capital or trap. The victims cannot say anything against the medical service providers because it is a question of life. In domestic arenas, such type of businesses creates a divine harbor for the interest of business elites. Even the health businesses are being running in the name of social well-being. In Bangladesh, 1683 registered hospital and clinics are in operation in smooth form and out of them 1,005 are privately-run (Government of Bangladesh, 2015). Moreover, about two-folds extra numbers of unregistered medical centers are also on function and thousands of mushroom typed diagnostic centers are excluded the statistics. Mainly the diagnostic centers are playing the oppressing role in health sectors. They arrange a good number of doctors' chambers in their centers- they prescribe and suggest big number of unnecessary pathological tests for the patients to meet up the reciprocal interests of the pathological centers. The centers and doctors work together in favor of their business interests; but the patients have to pay huge amount of money only for pathological tests including doctor's consultation fees that sometimes go beyond their ability. If a patient gets admitted into a big private hospital, he has to pay USD 300-1,000 per day for receiving treatment. On the other hand, private practitioners suggest a patient about 3 to 10 items of pathological test – that has to be even in designated diagnostic centers - because the doctors are linked with the centers in exchange of 30-50 percent commission for a single item of test (Transparency International Bangladesh, 2014a). In Bangladesh, about 48 private medical colleges are operating their education business of USD 80 million per annum. Nearly USD 1-2 million has been taking from a single medical student only for admission fee. Even the students have to pay huge amount of money for other tuition fee and living costs in every year. It is viewed that medical education and treatment are yet to be regarded as a humanistic service. In addition, following the privatization policy, about 199 allopathic drug manufacturing companies are running their business at a high volume of return- their business expanding trends proves that successfully – even a single high ranked pharmaceutical professional is being paid BDT 2-5 lakh monthly including other facilities that seems to be shown their turnover scenario. In fact, everything is moving only through globalization policy. Here is a true but pathetic matter that patients have to buy a single antiacidity tablet by BDT 7, whereas a single third generation antibiotic tablet costs about BDT 30-50. In this regard, low income people are getting marginalized gradually. But, National Drug Administration can take measure hardly in sake of free market economy. Nearly 8 out of top 20 pharmaceutical companies in Bangladesh are multinational and they are doing their business smoothly. The doctors are interested more to talk to the medical representative than the patients as they are being gifted valuable things (mobile phone set, laptop, freeze, TV, air-conditioned machine) at a regular basis from the drug companies. In exchange of the gifts, the doctors prescribe their medicine despite sub standardized items.

#### 4.3. Health Tourism

Health tourism is one kind of traveling from one country to another for obtaining medical treatment. Traditionally, people would travel from less-developed countries to major medical centers in highly developed countries for medical treatment that was unavailable in their own communities (Horowitz *et al.*, 2007) but the trend has been changed and people also travel from developed countries to less-developed ones nowadays. Bangladesh has developed the medical sectors desirably; however a large number of rich men go abroad for their medical treatment. People used to travel to many countries for health care from long time ago; even huge number of people makes their journeys to developed countries still today. Mainly businessmen, politician, bureaucrats are principal role players in this connection. They have plenty of money that earned, perhaps, both in legal and illegal ways. Health tourism also involves the recreational purpose, shopping, business, meeting the family members, political unsafe, money laundering etc. Despite a lot of health opportunity exists in the home country, they take the foreign treatment due to the above mentioned reasons. Moreover, medical officers and technologists are being migrated to convenience countries for better life.

There are a good number of countries such as India, Israel, Singapore, Thailand, USA, UK, Brazil, Costa Rica, Belgium, UAE, Mexico, and Portugal income foreign currency through health tourism. Globalization process makes the medical sectors privatized, free and open like other market products. Thus the private medical centers of those countries have equipped themselves with various modern facilities within a reasonable treatment cost. They take it as one kind of profitable business. Following globalization, communication technology, information system, different booking facilities have been easier and convenient to the people living anywhere in the world. So health tourism increases enormously and that seems to be continued for the next. Many people from developed countries travel to less-developed ones for cost efficiency. Plastic, and cosmetic surgery, abortion, child consumption expedite the medical tourism or business globally. Moreover, having passed holidays, enjoyment activity takes an important place in regard of traveling abroad. Many black money holders of less-developed countries drain their black money out of their home country; for having socio-political activities and other pleasure being done along with the medical tourism. A good number of Bangladeshi rich men go abroad for political purpose, and shopping related pleasure in name of medical treatment.

Doctors and technologists are migrating to developed nations. Every year a good number of doctors from Bangladesh are going to foreign countries getting offered better jobs. Generally, Bangladeshi doctors and technologists are recruited in Saudi Arabia, United Arab Emirate, Qatar, Bahrain, Libya, Iraq, USA, and UK. They are being paid handsome compensation that encourages them to leave their motherland and jobs. Actually it may be called brain drain. If they serve the people of their homeland, the people wouldn't travel to another country for obtaining better medical treatment. It is viewed that medical treatment causes both the brain and money drain. Perhaps, through globalization medical facility has been increased but less-developed countries lose their money and brain sharply. In addition, medical tourism somehow discloses the culture of black money income and expenditure. At present days, medical education and training have been included with health tourism. Many students from South Asian countries come to Bangladesh for medical education. Besides, recently a large number of Bangladeshi students are getting admission in Chinese Medical Colleges and Universities. Medical education tourism prioritizes the cost benefit and quality of education. In this regard, China is advanced more than other countries.

#### 4.4. Irregularities in Health Management

Donor agencies make the health sectors available to the people in the developing countries through the loan conditionality with social reforms. The social sectors in Bangladesh are being left mostly to private sectors – their growth is obviously remarkable – but the advantages of health and education sector cannot reach desirably to the house of low and middle income people. As a business item health care has already been a profitable and safe business that made the sector heavily costlier. On the other hand, public health sector is getting vulnerable due to mismanagement and different irregularities.

Sometimes, patients and their attendants experience corruption and irregularities during receiving services from health facilities. According to TIB's National Household Survey on Corruption 2012, 40.2% households experienced corruption while receiving health services. Moreover, various surveys conducted by Transparency International Bangladesh (TIB) during 2011-2013 also revealed that some doctors do not attend their duties up to the official time at different levels of hospital particularly those in sub-districts and districts; some patients do not get bed immediately after admission; some patients have to stay on floor up to a certain period, some patients are asked to go to doctor's private clinics and chambers and some patients expressed their unhappiness about the quality of food they get from hospitals. Moreover, some patients have to make illegal payments for getting services from hospitals that include services like purchase of tickets, getting bed/cabin, use of trolley, doing different medical tests and investigations, pushing of injection and saline, dressing services and ambulance services, receiving services from ward boys and sweepers etc. Sometimes, patients are asked to go to doctor's preferred diagnostic clinics or centers for doing medical tests and investigations (TIB, 2014b).

In Bangladesh, private clinics and diagnostic centers are running their business at a high volume of return. About 40 percent of those are not licensed or registered properly and they do not recruit quality and regular doctors, nurse and technologist. They are mostly dependent on the temporary doctors who actually come from the nearby public hospitals or fresher. The doctors are presently eager to practice the private medical centers leaving almost their own duties. In addition, government doctors feel comforts passing their times with medical representative more than their patients. According to Health Ordinance 1982, private health facilities are required to employ expert doctors, one registered doctor, 2 nurses, and one sweeper for every 10 patients for running medical services and operations; however, most of private facilities do not follow such rules. Sometimes, trained and qualified technicians are not employed. Although it was made a rule to provide money receipt to patients, it is not given. Similarly, they are asked to retain name and address of patients, but they usually keep names of patients only. It is found that private diagnostic centers maintain contracts with doctors in exchange of commission. The rate of commission depends on

the number of patients a doctor sends to a diagnostic center. According to doctors, their rate of commission normally varies 30-50%. Similarly, bribers rate vary 10-30% (TIB, 2014c).

Through globalization, medical infrastructure, logistic elements and human resource have been increased immensely; but they serve little the poor except riches and business elites. Here it is viewed that donor agencies have no strong concern of the irregularities as the MNCs have invested of million dollars in medical business of developing countries – they supply expensive medical equipments, consultant, pharmaceutical products, chemical raw materials – MNCs and domestic medical businessmen stand in a unique line in this regard. Actually state authority will has to control the medical sector strictly through law, policy, insurance, rules for the sake of common people; otherwise medical anarchism may hamper the total socio-political system.

#### **5.** Conclusion

It is finally viewed that through globalization or neo-liberal ideology health care goes to the proximity of villagers; but they can hardly access to the facility due to high cost and irregularities. Medical service has presently turned into a normal business item changing its well- being manner. Public health care is still low priced but mismanagement and corruption makes it vulnerable to all walks of people. Urban people of low income group can access to private health care hardly; so they have to go to hazardous public health center or charitable medical units. Besides, traditional medication is still the final destination to the poor people which sometimes is perilous. There are a good number of law, ordinance, regulations in Bangladesh to maintain the standard of health care; but due to private sectors, greedy doctors-nurses and corrupt health administration, this worse condition exists every steps in health sectors. Proper punitive measure, good governance, availability of logistic supports can ease this vulnerability and the state authority concerned must end all the irregularities in Medicare system to make a sustainable development.

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