Is the transfer of the community’s institutions to the private sector and outsourcing of public health and social services a sign that the welfare state is eroding?

A finger on the pulse

In my family, nobody of my parents’ generation had any education beyond primary or lower secondary school, evening courses or a craft certificate. We children wanted to go to upper secondary, many of us did so and a few even went further. My own children took higher education for granted. As a doctor, I am a true child of the Norwegian welfare state. Society paid for my education, and school milk, health check-ups, vaccination and dental care were part of the deal. My generation benefited from the services of the student welfare organisation for a term fee of NOK 50, as well as from instalment-free loans with market-independent interest rates in the State Educational Loan Fund.

Ideas of a ‘welfare state’ took hold in the early 1900s, gained momentum in the years before the Second World War and gradually became a reality in the post-war decades. Among much else, this included issues pertaining to education, decent housing, working conditions and health services. Although the National Insurance Act was endorsed by all political parties in 1967, the welfare state did not come into being by itself. It was not the result of public studies, it was not created in the boardrooms or around the negotiating table – or in the chapels, for that matter. It grew out of destitution, debasement, rage and defiance. The answer was solidarity and collective solutions.

The turn of the millennium brought new political impulses. Although there is no good Norwegian translation for ‘New Public Management’ (NPM), we could not fail to grasp its meaning and content. Its main principles include full or partial privatisation of public services and submitting them to competitive tendering among private suppliers. Health and social services are not exempted. The establishment of the new public health authorities bears witness to this. Production, service provision, efficiency enhancement, standardised patient pathways and the bottom line are the new buzzwords. When the director of St Olavs Hospital last year addressed the newly graduated medical students to wish them success, he hoped that they had acquired sufficient skills to help him stay within his budget.

Bjarne Håkon Hansen, former minister of health, waxed lyrical about his visit to the Toyota factory, hoping that the health services could function in the same way. Can this bring forth good Samaritans?

The strike among doctors and other members of the Akademikerne union of health workers may be a foretaste of tougher times in the public labour market (1), although both parties claimed that their objective was to defend the welfare state. Social responsibility, one of them shouted. Defence of patient treatment and safety, the other replied. This may leave the impression that the state is being pulled in two directions. The welfare guarantee to the voters has gradually given rise to a state whose style as an employer has clear similarities to ‘the hard-knuckle thirties.’ In line with previous slogans, doctors and others maintain that they are glad to do their duty, while they continue to insist on the right to have a say regarding their own job situation.

The train drivers’ strike against the Norwegian State Railways ran in parallel to our own. It was also about training and safety, and was met with the same rhetoric from their opponent. The state railways have for many years been divided into an ownership enterprise – Norwegian National Rail Administration – with NSB, the Norwegian State Railways taking care of passenger conveyance. The director of NSB has repeatedly emphasised that passenger transport in Norway will be made subject to competitive tendering. If the company agrees to the demands of the train drivers, it will lose an important competitive advantage and risk losing out in the competition. Could the minister of health have been struck by a similar thought? Today, the state owns and operates the specialist health services through the regional health authorities. Could the next step be a division into an ownership enterprise – ‘Norwegian National Health Administration’ – with responsibility for buildings and equipment, and an operational enterprise, perhaps referred to as ‘Patient Conveyance?’ Maybe the latter could be made subject to competitive tendering? This paves the way for something entirely new. Consider the possibility of being outsourced to foreign owners! A sombre prophecy says that this may become a reality before the end of the next decade.

Large and small conflicts need their leaders, as in the doctors’ strike that recently ended. I like to draw attention to Trude Basso (38), speciality registrar in orthopaedic surgery at St Olavs Hospital, with three children and a PhD degree. She stood up to those in power, including by writing a forceful letter to her own director (2). Spokespersons in conflicts may achieve heroic status among their own, but be regarded and treated as troublemakers and agitators by their opponents. The idea struck me: what will happen to Dr Basso on the day she stands there, surgical mask in hand, asking for a permanent position as senior consultant? The answer depends on the kind of professional community that she has there to back her up.

It was hardly a coincidence that the song written for the doctors’ strike drew inspiration from and was modelled on the same musical template as the play Les Misérables. The final scene – headed by rebellious students – takes place against the backdrop of the Paris revolution of 1830. Our song accompanied nearly all TV coverage of the issue.
The song has died away, the dust has settled and a pensive silence has set in (3). Experienced doctors have realised that hard-won collective schemes are at stake, and that in the end, this will affect patients and society. Young doctors have understood that the strike and the concern for the development of the welfare state may affect their hope of the «good life as a doctor» (4). Despite the cautious statements by Bent Høie (Cons), Minister of Health, about the need to (re)establish trust between the parties (5), and the analysis provided by the MP Torgeir Micaelsen (Lab), about the dual realities and that New Public Management can hardly be blamed for everything that is wrong (6), there is not much light at the end of the tunnel so far.

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References