



Health and Economic Development: A Theoretical Perspective

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ABSTRACT

In this pandemic moment, healthcare is undergoing paradigm transformations in terms of changing morbidity patterns and increased illness burden for both rural and urban India. In every mature society, population health is a major topic of discussion in public policy. During the recent decade, there has been a rapid shift to market-based governance systems, resulting in a diminished role for the government in the health sector. Many people have been driven to use pricey private health treatments due to insufficient and ineffective public health care. To address the problem, important stakeholders must use a multi-pronged strategy. To make healthcare available, accessible, and cheap to all, the public and private sectors must collaborate. Health is a top priority in and of itself, as well as a key component of economic development and poverty reduction. While economic infrastructure helps to speed up the growth process, social infrastructure helps to speed up the development of people. The health industry is complicated, with various goals, products, and beneficiaries. Privatization and liberalization have been the hallmarks of the country's new economic policy in recent years. The purpose of this research study is to examine the idea of health, the necessity for health care, and the unique economic characteristics of health. It also sheds light on the connection between health and economic development.

Keywords: health, need, characteristics, economic, development.

I. Introduction: Concept of Health

Health is a broad notion with many facets. The word "health" is derived from the old English word "hall," which means "healthy, healed, and sound in mind and body."

The positive approach, which stresses the lack of specific illness, diseases, or disorders, and the negative approach, which emphasizes the absence of specific illness, diseases, or disorders, are the two basic ways of defining health.

The WHO has defined health as "A state of complete physical, mental and social well-being and not merely the absence of disease or infirmity." This definition, which emphasizes health in a positive sense, has been critiqued as utopian, while it is perhaps more correctly understood as a goal for health care and other social actions.

When it comes to the negative concept of health, a person is considered healthy if they are not afflicted with a specific illness or disease. Although the terms 'sickness' and 'disease' are sometimes used interchangeably, they are distinct. Disease refers to a biological breakdown that doctors diagnose, whereas illness refers to a person's personal experience with disease as well as its broader societal ramifications. The unfavorable perception of health is directly linked to traditional medicine, which is primarily concerned with disease. It is frequently asserted that doctors are uninterested in health in the positive sense, and that the negative approach to health has tended to predominate.

One of the most important aspects of the social infrastructure is health. Indeed, without human development, economic growth is incomplete. Human resource development, or the growth of talented staff as well as healthy and efficient human beings, is at the heart of social progress. As a result, economic and social infrastructures are complimentary, mutually reinforcing each other's impact. Today, healthcare has been totally commodified, and the private sector, particularly in India, is the major worldwide healthcare provider. New medical technology has only aided this development while progressively diminishing healthcare's service nature. This commodification process has given the health sector a distinct feature: it has become a supply-induced demand market. The state's intervention in the health sector decreased during the Structural Adjustment and Stabilization Policy. Since the beginning of this decade, liberalisation and globalisation policies have had a significant impact on social sector spending, particularly healthcare programs, which are critical for rapid economic and human development.

II. Methodology

The present paper is based on the secondary data collected from the secondary source i.e. published literature on the subject concern. Descriptive and analytical method has been applied in the entire research study.

III. Objectives of Research

- To understand the concept of health and need for healthcare.
- To highlight the distinctive economic characteristics of health.
- To analyze the nexus between health and economic development.

IV. The Need for Health Care:

The concept of a need for health care services can be linked to a need for health in general, as it is reasonable to believe that health services are best considered as aids in the promotion of greater health. There is a clear need for medical care, and the individual suffers from an illness or impairment for which there is a therapy or cure that is both effective and acceptable. 'Needs' are those demands that, in the doctor's opinion, necessitate medical treatment, i.e. they are an expert assessment of our current health status.

V. Economic Characteristics of Health:

The major distinctive economic characteristics of health and medical services are listed below.

Uneven and Unpredictable Incidence of Illness

Apart from planned physical examinations and immunizations, the demand for health and medical services is determined by the frequency of disease and damage. On the basis of previous experience, it is possible to estimate sickness rates for a population. Illness is unpredictable for an individual. Although he can strive to save money to cover the costs of illness, he cannot be certain that he will be able to do so in a timely manner. In addition, illness carries the danger of disability or loss of earning capacity.

The desirability of pooling payments to cover the contingency of disease in the group is an evident conclusion of the unpredictable incidence of illness for an individual and predictable experience for the group

External Effect

External effects in economics are defined as good and poor outcomes for others as a result of one's own actions. In the case of a communicable disease, providing a preventative or curative service to an individual results in a benefit that extends beyond the individual's illness prevention or cure. When an infection chain is broken, the result is multiplied by the number of people who were treated. Furthermore, when a significant section of a community develops immunity to a disease, the chance of infection for the rest of the population is reduced. The private marginal benefit from expenditure is less than the societal marginal benefit in such cases, according to the economist. If this is the case, consumer demand as indicated by the market is insufficient.

Health and Medical Care as a Need

The need for health and medical treatment is widely assumed to be the basis of a person's right to obtain it, regardless of financial means. The medical profession has always recognized that it has a responsibility to address this demand or at least a portion of it. As a result, it gives free treatment to the poor and charges the general public on a sliding scale (changing prices based on ability to pay). Hospital care is also paid for in full, in part, or for free, depending on the patient's financial situation.

Health and medical treatment are currently considered as the fourth human necessity, ranking after food, clothes, and shelter, due to greater effectiveness due to scientific developments. Such a requirement is seen as having utmost importance among society's objectives

Lack of Knowledge

Another feature of health and medical services is the difficulty of the consumer to assess them. Even after receiving assistance, he is unable to assess quality. Because of the consumer's ignorance and helplessness, the physician's honesty and skill are put to the test. The Hippocratic Oath, which physicians take upon graduation from medical school, recognizes this.

Mixture of Consumption and Investment Elements

The majority of the time, health and medical services are seen as consumables. They are sometimes regarded as requirements, but they are also components of growing living standards.

Failure to provide medical care to a gainfully employed worker who requires it could result in impairment and a loss of productivity. As a result, a program oriented at preventing disease and disability among productive workers is clearly a better investment in the nation's output than one geared at providing essential medical care to retired people.

Large Component of Personal Service

The majority of health and medical services are personal services or have a significant personal component. This fact has significant consequences for an economy that grows primarily through productivity gains rather than labor force expansion. As a result, hospitals have been unable to balance the same amount of salary increases with productivity gains as other industries for some groups of personnel. As a result, hospital care costs and prices are rising faster than those of most other commodities and services.

Nonprofit Motive

The profit incentive is irrelevant as an explanation of behavior in a substantial segment of the health and medical care industry. Voluntary (non-profit) groups affiliated with religious, ethnic, or community organizations play an important role in providing hospital care. Other issues have arisen as a result of the hospital's voluntary nature. Historically, the hospital's workforce has been paid poorly, and hospital associations have fought for - and won - exemption from labor regulations and social insurance coverage. In addition, without a business motivation, the conditions for effective operation are not clear.

Medical Service and Education as Joint Products

Medical services are frequently created in conjunction with medical education and, in certain cases, medical research. Most experts feel that by implementing a good educational program, a hospital may improve the quality of care it provides to its patients, because a teaching environment and the presence of students encourage curiosity and push practitioners to perform at their best.

VI. Nexus between Health and Economic Development

In at least seven ways (World Bank, 1993; and Gupta and Mahajan, 2003), improved health contributes to economic development:

To begin with, good health decreases production losses due to employee illness. In other words, greater health leads to increased productivity among workers.

Second, better health minimizes morbidity and mortality-related losses. Cost of death (value of each life spared), cost of morbidity (loss of work days and productivity due to illness), and cost of treatment are the three forms of losses (money spent on purchase of drugs; medical services, transport to hospital, etc.)

Third, it allows for the exploitation of natural resources that were previously completely or virtually completely inaccessible due to disease. Some investments in health improve land productivity. Mosquito-infested areas are becoming more appealing for colonization. Migrants arrive, increasing output. When health programs offer up hitherto untapped production options, national output rises as well.

Fourth, greater health encourages youngsters to attend school and improves their ability to learn. This helps to the well-being of future generations, which is a necessary requirement for long-term development.

Fifth, it frees up resources that might otherwise be used to treat illness for other purposes. Healthcare spending that reduces illness incidence results in significant reductions in treatment costs. In the case of health concerns such as Polio and AIDS, annual treatment expenses are anticipated to be significantly less than the investment required to eradicate it over time.

Sixth, it contributes to a higher quality of life, making life more enjoyable. The infant mortality rate and life expectancy are two of the three drivers of the physical quality of life index, while literacy is the third. It is undeniable that good health and proper health services are linked to a condition of excitement, vitality, and happiness. Happiness is a subjective condition that is influenced by a number of things. On a more physical and mental level, however, it is considered that an adequate degree of healthcare in a society leads to people's pleasure.

Seventh, it has been discovered that the poor die younger and are more likely to be disabled. At home and at work, they are more vulnerable to hazardous and harmful environments. If no free healthcare is available and the family's breadwinner becomes ill, the entire family suffers as a result of the high treatment costs, which frequently push them into debt. Poor folks rely on physical labor for money and do not have any savings. As a result, they are unable to recuperate from illness while maintaining their human and financial capital. As a result, the social justice aspect of health sector development is significant, as the disparities in economic gains are disproportionately bigger for the poor, who are often the most crippled by illness.

As a result, economic development enhances the quantitative and qualitative quality of health care, ultimately improving people's health. India, as a rapidly developing and emerging country, must devote significant resources to the health sector.

VII. Conclusion

Following independence in 1947, India decided to expand and strengthen the country's health services as part of a complete package effort to better the people's level of living.

The fundamental right to life and liberty [Article 21] in the Indian Constitution includes the right to health, implying a state commitment to safeguard citizens from medical malpractice. The government must prioritize the construction of health infrastructure. However, because of its financial influence in the centrally planned economy, the center has played a major role in all sectors of health. To make the growth process "inclusive," the State's involvement must be expanded while maintaining a strategic directed role for the good health of all its residents, as mandated by the Constitution. There is little doubt that India has made significant progress in recent years. However, more work need to be done in order to make health care available, accessible, and cheap to everybody. In this changing world, with unique challenges threatening the population's health and well-being, it is critical that the government and community work together to address these issues concurrently, inclusively, and sustainably.

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