

Alternative European Healthcare Perspectives

November 2025

[Roger Steer](#)

Events are accelerating and taking unexpected turns.

In the US, because the US has an [unregulated and uncontrolled market system](#), it spends a lot more money on drugs than in the UK and Europe, where this market is strictly regulated.

Belatedly Trump is exerting pressure to reduce drugs prices in the US. The response is for the drugs companies to increase prices in the UK and EU by threatening to move production to the US and-or to cancel investment projects, in the UK in particular.

Wes Streeting's initial riposte was to bluff it out, but according to [latest reports](#) that stance has now crumbled.

Prices are set to increase by 25% in the UK. That's a £5bn cost pressure for the NHS. For a longer read [see this from the Nuffield Trust](#).

For Trump drugs prices are the least of his worries: the government is in lockdown because the budget cannot be agreed. The [sticking point is described by the BBC](#) as

caused by the requirement of the Senate to have sufficient votes in favour of a budget that Democrats oppose as it reduces protection for those without health insurance, as well as cutting Medicaid and closing health agencies.

As of writing the issue is unresolved.

Meanwhile troops are on the streets in the US preparing to deport millions of illegal immigrants and massive civil unrest is expected. Trump seems to be relying on this to claim a national emergency which he needs to justify cancelling elections.

If it can work for Hitler and Netanyahu who is to say it will not work for Trump. You can see why he would prefer to divert attention to his work in staunching the bloodbath in Gaza and Ukraine.

In France the Government fell on 6th October. Who knows what will happen in the weeks to come. Surely, Macron will not resign? Sarkozy one of his predecessors has been sent to prison for corruption – all a little misunderstanding about election funding sourced from the late Muammar Gaddafi of Libya.

In Germany the [Merz government is struggling](#) to dig its way out of its economic malaise despite the creation of a €500bn investment fund.

And despite Rachel Reeves speech to the Labour Party Conference we are none the wiser about her budget timed for 26 November.

For a clue I've been reading Torsten Bell's book *Great Britain? How We Get Our Future*

Back. He has been delegated by Reeves to write the budget statement for her. When in doubt, delegate, seems to be the call these days.

Although [Dominic Cummings](#) points to the difficulties of this approach.

So, this month I am featuring a discussion of what may be in the UK budget and what it may mean for healthcare in the UK with clues from East Germany and France (you will be shocked to discover how France finance their health system). As usual other issues gleaned from across Europe over the last month are reported.

The UK November budget

Who is [Torsten Bell](#)? Like me you are probably only dimly aware of him. He was elected to Parliament in 2024 but is already Parliamentary Secretary to the Treasury.

It seems he has been given the short straw of drafting Rachel Reeves's Budget statement. He is either on the fast track to stardom or oblivion.

His pedigree is Oxford PPE, the Treasury, Policy Adviser to Ed Miliband and Chief Executive of the Resolution Foundation. I work out, he ended up advising Alistair Darling on how to deal with the financial crash in 2008 at the age of 26. He is candid in his book that the Treasury at the time were writing manuals on how to manage the economy – until the crash.

It's probably there that he picked up a certain self-confidence. According to [Gary Stevenson he's the poshest man Gary has ever met](#). He featured in a [Channel 4 profile](#) promoting his book. To me it's not his Home Counties accent that creates unease

but his naïve faith in a sunny future, to be achieved by simple nostrums – more growth, less inequality, don't mess up, have faith.

His book is very long on diagnosis of the problem.

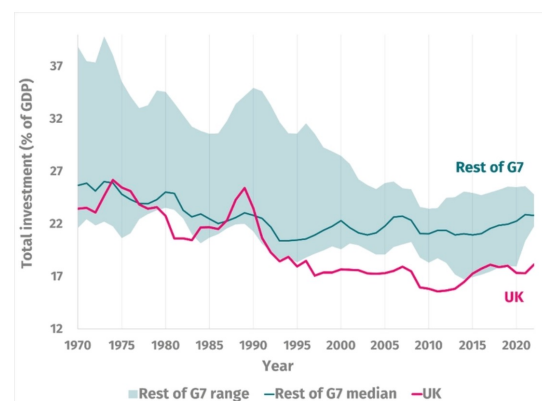
But, we all know that the economy is stagnating (*real earnings have fallen by 18% in real terms since 2014 and the poor in France and Germany are 27% better off than in the UK*).

We all know that [inequality](#) has increased since Thatcherism, and particularly over the last 15 years.

We all know that the prospects for the young and access to decent housing are particular problems.

We all know that public services have declined.

We all know that Britain suffers, both in the public and private sectors, from low investment (lowest in G7) as the chart illustrates, and managers are driven by short-term-ism.



Gross fixed capital formation as a % of GDP for the UK and G7

To emphasise the point, he refers to public surveys that indicate the need to:

1. improve public services
2. increase wages and provide a higher standard of living

3. increase investment
4. improve political leadership
5. provide more affordable, better-quality housing.

So, while the book is a useful addition to the bookshelf in that it provides the details and references to all of this, it is short on how it is to be achieved.

For example, on housing Bell thinks all that is necessary is to tweak the planning processes and to instruct local authorities to build more houses.

This is failing right now: the reason, building land is owned predominantly by the big builders who have a vested interest in maintaining shortages to keep prices high.

Another idea is to scrap national insurance and increase income tax in its place. As though the rich wouldn't notice. [Bad idea](#). Better options are available.

According to the academic Richard Murphy the following measures would raise £50bn:

1. "An investment income surcharge. Apply an additional tax rate to income from interest, dividends, and rents, sources overwhelmingly concentrated among the wealthiest households, largely to address the fact that national insurance is not paid on these sources, and Reeves could find much of the tax she is supposedly looking for.
2. Equalise capital gains tax with income tax. There is no moral or economic justification for favouring returns from ownership over returns

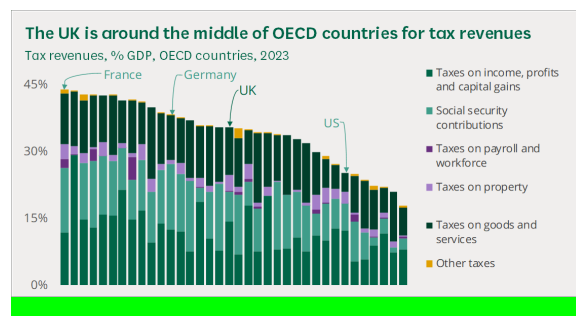
from Labour. These rates should be the same.

3. Charge VAT on banking and financial services. These sectors are currently exempt, which favours the wealthy who are the predominant purchaser of their services.
4. Restrict Pension reliefs for high earners. The subsidies here are hugely regressive, turning pension contributions into tools of tax avoidance rather than social insurance."

Doing something about inequality will require a better benefits system, better public services and lower taxes for the poorest. All distant prospects for a Labour government who cut winter fuel allowances, failed to deal with the two-child benefit cap and is intent on cutting benefits further.

All based on the misplaced notion that doing otherwise is unaffordable – despite taxes being lower in the UK than many other parts of Europe.

See [Tax statistics: an overview](#) from the House of Commons Library (August 2025) for a solid briefing on recent tax trends. The latest estimate suggests the tax burden for the UK is around 39% of GDP in 2024/25, or back to what it was in the early 1980s before Thatcher wreaked havoc with public economics.



He cites changes in the fiscal rules opening the way for £100bn of extra investment. But he fails to put this into context – either of the backlog in the UK or the scale of investment planned or undertaken in Europe and elsewhere (around €2trn in East Germany alone).

To be fair to him he reckons there are many changes that can improve the economic management of the country. Perhaps? But, it's going to take a few better ideas than can be found in his book.

I continue to fear the worst from the budget statement at the end of November.

While 55% of British business is foreign owned, while the tax base continues to be undermined by loopholes in the tax system and while capitalism continues to be (in the Anglo-Saxon world) dominated by *financialisation*, short-term-ism and speculation; prospects are bleak. While at the same time the population, as evidenced in the surveys cited above, are clear on what is required; it seems UK politicians continue to be short on ways and means of delivering. [The excuse we are only the government and not in control is wearing thin.](#)

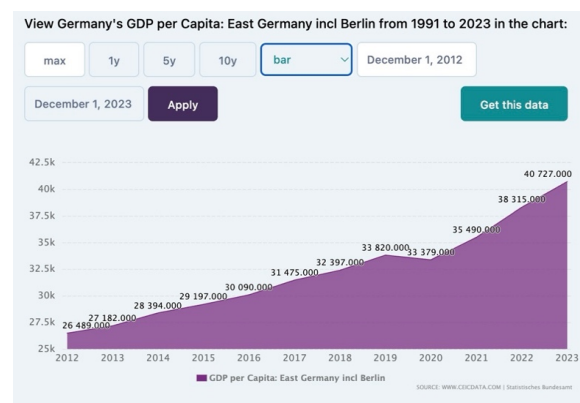
Are there lessons from East Germany?

I am conscious that some readers may find such arguments abstract maybe difficult to grasp? For many, incomes and standards of living have improved during their lifetime. S

omething is required to jolt people out of their complacency. So, I have chosen to contrast the former East Germany with South Yorkshire (where I am living now) and other poorer regions of the UK.

The former East Germany was in a poor economic state when Germany was reunified in 1991. It required massive investment. That is what it received. It is

calculated some €1.2-2trn has been invested in East Germany. The effect has been remarkable by UK standards.



This compares favourably with most of the Combined authorities of the UK. You have to convert euros into £'s to make valid comparisons but every region below Greater Manchester falls below East Germany in the per capita GDP league table.

Table 2: Combined authorities ranked by gross domestic product per head, 2023

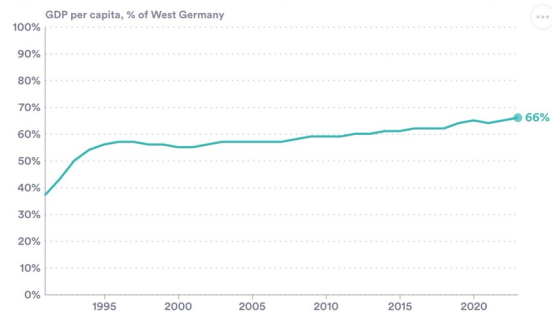
Combined Authority	Geocode	ITL code	GDP per head at current market prices (£)	Annual growth in 'real' GDP per head (percentage)	GDP at current market prices (£ million)	Annual growth in 'real' GDP (percentage)
West of England	E47000009	TLK5	47,961	1.7	47,019	3.0
Cambridgeshire and Peterborough	E47000008	TLH4	40,723	0.9	37,428	2.2
York and North Yorkshire	E47000012	TLE2	38,005	0.6	31,711	1.4
Greater Manchester	E47000001	TLD3	37,357	0.0	110,152	1.3
West Yorkshire	E47000003	TLE4	33,836	-0.6	81,279	0.5
Lancashire	n/a	TLD4	31,167	-0.9	48,944	0.3
Liverpool City Region	E47000004	TLD7	31,016	-0.2	49,196	0.9
West Midlands	E47000007	TLG3	31,012	-0.1	92,443	1.0
East Midlands	E47000013	TLF1	30,841	-1.7	69,443	-0.8
Hull and East Yorkshire	n/a	CER	30,325	-0.3	18,864	0.9
Devon and Torbay	n/a	CER	30,212	-1.3	29,393	-0.5
Greater Lincolnshire	n/a	CER	29,712	-1.8	33,017	-1.1
North East	E47000014	TLC4	29,131	1.9	58,624	2.9
South Yorkshire	E47000002	TLE3	28,187	-1.3	39,661	-0.1
Tees Valley	E47000006	TLC3	27,005	-2.6	18,875	-1.2

Source: Regional economic activity by gross domestic product from the Office for National Statistics

Significantly so in the Tees Valley, and South Yorkshire.

But that is not the full story. East Germany continues to lag the rest of Germany.

Figure 1: Per capita GDP, East Germany as a share of West Germany



Note: Berlin state is entirely counted as being in the east.

Harmonisation is a gradual process. According to [this discussion](#) from the Economics Observatory what hampers better progress is the lack of local ownership and inequality.

Some 80% of East German companies are owned elsewhere, 90% of the largest. In addition, inequality has been increasing in Germany leaving the bottom 50% behind. It is suggested the experience for East Germans is of colonisation. Not surprisingly support for populist parties (the AfD) has increased and is expressing itself in novel political forms:

Unlike the established centrist parties, the AfD has not only held rallies on the campaign trail, but organised spaziergänge, “strolls” through town centres, which are designed to evoke the peaceful Monday protests that accompanied the unravelling of socialist East Germany. It is the only party in Germany that calls for the president to be directly elected by citizens rather than through a federal convention and has advocated for a Swiss-style direct democracy of regular referendums.

It needs to be noted that it only takes [3.5%](#) of the population, to topple a government.

Unless Rachel Reeves can do something about both investment and inequality then the UK government faces unrest and being toppled. I fear it will fall short on both measures.

What caught my eye however in this tale is the West German *Lastenausgleichsabgaben* (burden-balancing taxes), introduced by the West German government to aid in post WW2 reconstruction. It was a one-off wealth tax of 50%. It both reduced inequality and provided funds for reconstruction (supposedly). For a fuller discussion of one-off wealth taxes see [this publication from the Wealth Tax commission](#). To be successful it has to be a surprise. It would certainly surprise me.

I say supposedly as a means of financing as, if you have been following the MMT debate on Richard Murphy’s blog [“Funding the Future”](#), you would know that a [country with its own currency and central bank can create the money it needs](#). Taxes are only required to prevent inflation not to balance the books – which is an inappropriate household accounting analogy.

What is to be learned from France?

Instability in the French Government has persisted since the elections of over a year ago. The country is split three ways, and politicians cannot agree on the way forward. The latest news is that there may be a way to maintain the existing government in place if they agree to stall plans to shift the retirement age to 64 from 62.

It seems that the French are resisting the erosion of the social wage. French social spending and public services are far better in France than the UK. Or at least they were.

[This article](#) however describes *The Financialization of Healthcare in France: Trends and implications*. It summarises thus,

The healthcare system in France, once celebrated for its universal coverage and accessibility, now grapples with profound transformations driven by corporatization, polarization, and financialization. Initially founded on principles of solidarity and government support, the system provided ample opportunities for doctors to practice either in public hospitals or private settings, with fees regulated to ensure affordability. However, recent decades have seen a shift towards agreements that allow specialists to charge additional fees beyond standard rates, which are covered by private insurance or paid directly by patients. The landscape is further complicated by demographic shifts such as an aging population and rising incidences of chronic diseases, exacerbating healthcare demand while the supply of medical professionals stagnates. Urbanization has concentrated medical services, leading to dominant practices in certain specialties and longer waiting times, especially in rural areas. Financialization has emerged as a pivotal force, with private investors increasingly influencing healthcare delivery. This trend is evident in sectors like medical biology and radiology, where consolidation and profit maximization strategies may prevail, potentially compromising care quality and access. While financial influx may temporarily address funding gaps, it also risks

eroding professional autonomy and patient care standards. These developments mark a schism from traditional values of the French healthcare as a public good, raising concerns about equity, regulation, and the ethical implications of intertwining medical practice with financial imperatives in France.

The full article usefully explains the differences between privatisations and *financialisation*, marketisation, commercialisation, corporatisation etc. It also describes very well how the French system works and the subtle changes taking place.

It highlights the rural/urban divide and the implications of the decline in doctor numbers. There was in the 60s open access to medical schools and a glut of doctors was the result. Since then a far stricter control of numbers using [“numerus clausus”](#) has not only eroded the numbers of French doctors but undermined the status of the French system , once known as the best in the world.

Doctors themselves have become more money-oriented, resulting in fierce competition for limited specialist roles, and a decline in academic interests. In addition, corporatisation is taking place in clinical support services (radiology, laboratories etc). So much so it has caused a recent scandal.

.... in 2023, the private medical biology sector in France witnessed substantial consolidation, as six major groups command over 60 % of the market share. This highly lucrative sector continues to offer substantial profit margins, reaching remarkable levels even after adjusting for the impact of the

Covid-19 period (18 % profitability in 2016, rising to 32 % by 2021).

This issue was discussed in my September 2025 newsletter.

The role of private supplementary insurance has also increased in recent years leading to the expansion of insurance-led managed care models.

Key regulatory reforms in France and the financialization of health care.

Year	Policy Change	Description	Impact
1990s	Creation of SELs (Professional Practice Corporations)	Let liberal professionals (doctors, lawyers, etc.) organize as corporate entities. Enabled multi-site operations. Allowed up to 25 % ownership by non-professionals.	First step toward capital investment in healthcare practices. Over time, professional tax and fiscal reforms have made corporate structures such as SELs increasingly attractive, reinforcing the shift toward business-oriented practice management
2001	Murcef Law	Introduced Article 5-1, allowing biologists to own the majority share in labs where they don't practice.	Opened the door for chain formation in medical labs and allowed financial investors to enter the sector.
2004	Activity-based costing (ABC - know as T2A in France)	Funding for hospitals based on the volume and nature of medical procedures performed, rather than a global budget + B10	Introduction of a production and price based logic for hospitals to increase the volume of profitable procedures, fostering greater competition between institutions. Financial performance, measured through ABC, becomes a key management indicator and may begin to influence both medical and investment strategies. This shift can occur at the expense of less remunerative mission such as emergency care, psychiatry, a long-term care.
2009	Hospital, Patients, Health, Territories Act (HPST)	Aimed to modernize hospitals, improve healthcare access, and reorganize care provision at regional levels.	Sought to enhance financial efficiency through hospital restructuring and regional coordination.
2010	Creation of Regional Health Agencies (Agences Régionales de Santé, ARS)	Established to unify health management at the regional level, integrating various health services to improve efficiency and cost-effectiveness.	Promoted corporatization and commercialization by restructuring public hospitals to operate like competitive enterprises, leading to disrupted practices and criticism over bureaucratic drift and economically driven decisions
2013	Ballereau Law	Reformed medical biology with quality accreditation and limit financialization.	Mandatory lab accreditation encouraged consolidation. The law failed to limit financialization because it wasn't retroactive, allowing existing financial groups to expand
2018	Ordinance on Health Centers	Made it easier to open health centers without ARS approval	Unintentionally allowed investor-led chains to grow rapidly
Social Security Financing Bills (PLFSS) Post-2020	Annual PLFSS laws	Cost-containment strategies and adjustments to reimbursement rates. Periodic reductions in fee-for-service tariffs for acts in biology, radiology, etc.	These pressures compelled healthcare providers to consolidate and seek supplementary income, through measures such as charging additional fees, attracting private equity investment, narrowing the scope of services, and prioritizing higher-paying procedures
2021 & 2023	Rist Law	Regulated and cap the fees paid for temporary doctors (often charging high rates, straining hospital budgets)	This policy served as a financial control measure. High temporary staffing costs can strain budgets and increase reliance on external financing. By capping these fees, the law aimed to curb spending
2023	Villetoux law	Tightened regulation of temporary medical work, set conditions for establishing private clinics, and introduced mechanisms for overseeing financial arrangements and ownership transparency, though their scope and enforceability remain contested	This law aimed at regulating the priv for-profit sector and potentially curb practices associated with financialization

There seems to be only limited official recognition of the risks involved in *financialisation*. But in 2022 these risks were highlighted by the Orpea case.

Orpea, a French company that had grown into one of Europe's largest

nursing home chains, was exposed in 2022 for prioritising profits at the expense of care: understaffing facilities and mistreating residents. This case illustrates how an investor-oriented model, as seen with Orpea's backing by international pension and hedge funds, can significantly erode standards of care. Following the revelations, Orpea's share price crashed by 93 % in 2022. Its aggressive, debt-fuelled expansion strategy pushed the company toward insolvency, ultimately necessitating a state-led bailout in 2023.

But it is claimed there are perceived advantages.

Certain common goals—public policy and financial investments—can be temporarily aligned. The topic of investment in the healthcare sector in France reflects the transformation of care organization, particularly the shift towards outpatient care. Private investments address the chronic underfunding of outpatient care, a consequence of state policies favouring hospital-centric care. The lack of public investment creates opportunities for private investors in healthcare activities. This is an attractive and sometimes effective strategy, but likely to be extremely risky for public authorities. For professionals, capital influx can be perceived as a financial opportunity, both individually and collectively, especially as they approach the end of their careers and seek to ease the transition into retirement.

The article goes on to show the consolidation and growth of corporate and financial interests in the various sectors of the French system:

- In private hospitals where four groups now dominate.
- In medical biology where growth has been huge in only a four-year period
- As demonstrated by high profile US and Financial sector investment

But what can Rachel Reeves learn from the changes in the French system? Well, there has been,

Significant financial integration in France's public health system, with financial capital playing a key role in managing debt, liquidity, and infrastructure. France established CADES (Caisse d'Amortissement de la Dette Sociale) in 1996 to refinance social security debt via market-issued securities. From 1996 to 2018, it absorbed €260.5 billion in debt, over €147 billion from healthcare, and paid €72 billion in interest and fees. Funding came largely from international investors, tying the health system to global capital markets. Since 2007, ACOSS (Central Agency of Social Security Organizations, the agency managing social security cash flows) has used short-term securities for liquidity management. By 2018, 93 % of short-term needs were market-financed, with €2 trillion issued in European commercial papers, making ACOSS the top global public issuer. Public hospital debt rose from €12 billion in 2003 to €30 billion in 2018, with annual interest payments doubling to €1 billion by the 2010s. Many of the loans were complex, high-risk financial structures. Finally, health institutions increasingly adopt private-sector financial strategies

focused on return on investment, cost control, and benchmarking. Agencies like ARS, ACOSS and CADES created financial departments staffed by market professionals, signalling a broader systemic shift.

In other words, direct debt financing has been used to help France afford its more generous health system.

You can see why David Cameron was interested in [Greensill](#) as a solution to the UK's cash flow problems. And you can see why Macron, a banker, was interested in the job of President of France. And why the French public are resisting its once heralded healthcare system being converted into a financial goldmine.

According to the [FT](#) the French would much rather introduce a wealth tax on the 1,800 people with more than €100bn of wealth: "la Taxe Zucman". France has more billionaires than any other EU country (146) which is less than the [UK \(156\)](#) but apparently such a tax would raise €20bn, more than enough to pay for early pensions and maintain the French in the manner they have become accustomed. Gabriel Zucman is from the [EU Tax observatory](#).

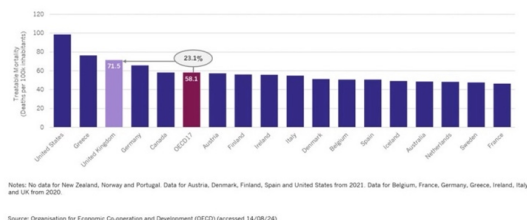
Financialisation is not just an issue in France as this illuminating [survey from SOAS of the impact of financialization on social care in the UK shows](#).

Summary of other healthcare news across Europe

The [Office for Health Economics Annual Lecture](#) provides a number of talking points reflecting on 2025 and a number of contentious interpretations provided by the author Anita Charlesworth.

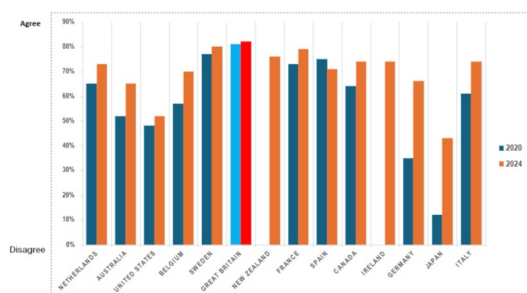
The first highlights the continued failure of the UK health system to keep people alive compared to other countries.

Figure 1: The UK has a comparatively high rate of mortality from treatable causes



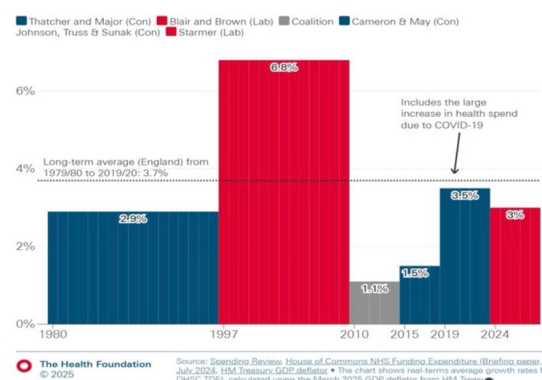
And although the UK is not alone in there being dissatisfaction on the performance of its health system, public cognition of failures in the NHS is the worst amongst comparable countries.

Figure 2: Public perceptions on how overstretched the health system is (Source: Ipsos Health Service Report)



The second major point relating to funding of the system shows that any claims of improved funding under this government, keen to reproduce the gains of the Blair/Brown era, are misguided. It also highlights that even the Covid epidemic wasn't enough to boost spending, Covid being largely financed by savings from not treating other conditions.

Figure 3: Average real-terms growth in total health spending by government



The point is made that the UK is at the limit of increasing taxes but tax is low in the UK by European standards and tax is neither the full story nor the main driver of economic decisions.

It's the availability of resources and the need for spending that are the main drivers. On both counts there are no real obstacles to increased spending, only the will to do so.

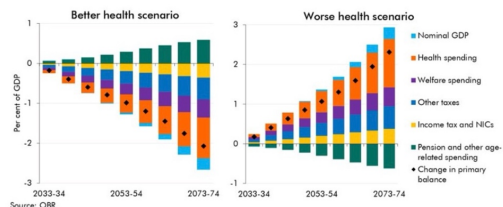
The third major point supposedly highlights the vital role to be played by prevention.

As the UK ages, this means that there is going to be a significantly higher proportion of people living with major illness in the next decade.

However, the impact of better health on NHS spending may be more modest than expected. The OECD estimates that a healthier population would reduce health spending growth by just 0.3% per

year. Within the UK, better health only removes 1% from the growth rate of health spending.

Figure 5: Projected impact of population health on public finances



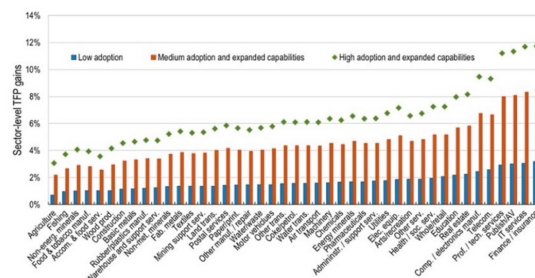
To my mind these figures indicate why politicians ignore the NHS. To extrapolate so far into the future is virtually worthless anyway; but to suggest that under any scenario the percentage of GDP taken by the NHS may vary by +or – 1.2% over 30 years is tantamount to diverting the mind of the politician to more pressing matters.

As readers of this newsletter will know the UK already spends more on prevention than other countries. It is by no means clear that spending even more will be sufficient or essential to deliver better healthcare in future.

Next, the author shared OECD research that suggests health and social services have a high potential for total factor productivity gains from AI.

Projected cumulative TFP (total factor productivity) growth ranges of well over 4-6% for healthcare, based on medium to high AI adoption.

Figure 6: AI-driven productivity gains across sectors (Source: OECD Artificial Intelligence Papers Series)



This is over a period of 10 years. Also, the words, 'suggests' and 'potential' to me imply gambling with other people's money, money that could be better spent today on more pressing concerns.

Finally, Charlesworth raised the contentious question of funding healthcare in the UK – the balance between public and private spending.

She pointed out that currently, despite perceptions of growing privatisation, the share of health spending from out-of-pocket payments and private insurance remains below pre-pandemic and well below levels seen in the late 1990s.

What was not pointed out was the prices had gone through the roof in the private sector and hence profitability. The game is not to take over the NHS but to make money from the inadequacies of the NHS.

[See the Lowdown from February 2025](#)

While specific percentage increases vary, UK private medical insurance costs are rising faster than the global and European averages, and

employers are seeing premium hikes of 10% to 25% or more for renewals in 2024. This has led to a corresponding rise in the cost of private insurance premiums for individuals as well.

[The Health Foundation](#) has been thinking some more on the 10-year plan. [The good, the bad and the ugly](#), the title of their work, sums it up nicely.

Good is ambition, a focus on prevention and space for local flexibility in implementation.

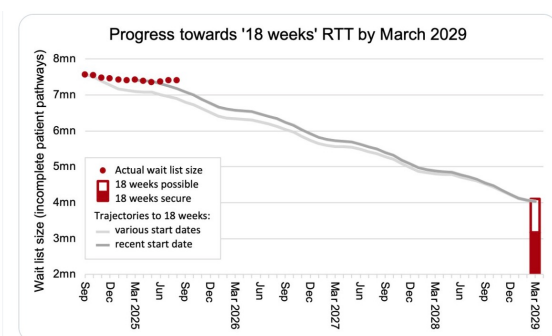
Bad is the lack of an implementation plan, reliance on optimistic assumptions on resource availability and “back of the fag packet” “level of evidence to suggest plans are realistic.

The Ugly is the assumption that integration and adoption of accountable care models from the USA represents the way forward. There is little evidence presented for this and little confidence it’s going to work.

The Health Foundation predict another reorganisation inside 10 years.

Waiting Lists

While hope remains, progress on the ground is faltering with small increases in waiting lists in each of the last three months.



[EUObserver](#) highlights the strategy being adopted by the far Right across Europe. They are promising more for in-group workers and less for out-group immigrants. The author traces the roots of the policy shift to efforts to shift benefits as a right to workfare, or a means of policing the ‘undeserving’ poor.

In France, recipients of the country’s minimum income scheme must now clock at least 15 hours of job-related activity a week — a measure [denounced](#) by the country’s own human rights commission as opening the door to potential labour exploitation.

In Germany, citizen’s income is conditional upon accepting any “suitable” job proposed by the Job Centre, and authorities can withhold up to 100 percent of benefits if a claimant fails to comply with job-seeking obligations.

In all countries, sanctions inevitably land disproportionately on those most in need of support: claimants with limited work experience and qualifications or facing practical barriers to work such as a lack of affordable childcare or not having a car.

And those that can work are forced to accept low-paid, precarious jobs — insecure, exhausting, and devoid of prospects. Progress is measured not in improved lives, but in boxes ticked: hours worked, appointments attended, hoops jumped through.

Europe’s lurch to workfare has sent a dangerous message: poverty is a [failure of the individual](#), rather than society, and benefits must be

earned and deserved through compliance. Digitalisation has compounded this negative stereotype of benefit recipients — with welfare agencies across Europe, from [Denmark](#) to [Sweden](#), embracing algorithms to hunt down supposed fraud.

In France, the service responsible for family allowances quietly [profiled 32 million people](#) to identify potential welfare abuses, using algorithms that disproportionately targeted single parents and disabled citizens. While single-parent households represented only 16 percent of beneficiaries, they accounted for 36 percent of administrative investigations. In the Netherlands, a “fraud detection” programme [wrongly accused](#) thousands of mostly immigrant families of benefit abuse.

These algorithms aren’t neutral tools; they reflect political choices about who can, or can’t, be trusted. Even social workers have been [recast as enforcers](#), expected to monitor, report and sanction.

Europe’s most vulnerable citizens therefore experience the state not as a guarantor of rights, but as a hostile interrogator. They are surveilled, stigmatised, and punished. And crucially, they feel abandoned and betrayed. Far-right populists reap what has been sown.

Punitive welfare systems that treat recipients as ‘suspects’ also signal to voters that welfare support is scarce. They pit the ‘deserving’ against the ‘undeserving’, and breed

resentment among those struggling, who come to see migrants or minorities as competitors for dwindling benefits.

This puts a new light on UK Government minister’s statements about getting tough on fraud.

Again, the [EUObserver](#) highlights the co-ordinated campaign from big business to deregulate. They are promising to invest billions in return for deregulation.

The 28 have a reported total revenue of around €700bn and, on Wednesday, the CEOs issued a pledge to increase their investment levels in Europe by 50 percent towards 2030 in return for a further loosening of the rules.

Their demands span removing barriers to the single market, cutting regulation, spurring private investments, boosting defence and energy spending, while scaling innovations to market.

Jacob Wallenberg, who heads the Swedish industrial holding company Investor AB, said that includes releasing private capital tied up in people’s savings accounts to help finance investment.

This level of investment increase Europe would be on track to close most of the €800bn annual investment gap outlined by Draghi,” he said, in reference to a report published last year on [how to boost Europe’s competitiveness](#).

And the European Commission, along with leaders from Denmark, France and Poland, appeared eager

to please the industry wish-list as Europe grapples with a housing crisis, high energy bills, a war on its border, a roll-back on climate ambitions and a US bent on imposing global tariffs.

It means big ideas like the [EU's diligence directive](#), which require companies to report on harm to people and the planet in their supply chains, have already been scaled back.

So too has the EU Green Deal and a slew of other proposals and laws meant to tackle social injustices and consumer protection standards.

"Our ambitions cannot mean that we continue to impose new burdens on companies" Donald Tusk, Poland's prime minister, told the industry executives. "Look at the world around us, we Europe are responsible for only six percent of the world's emissions. We cannot constantly be the ones who reduce emissions at the pace that no company can bear," he said.

As an example, he said he had offered the steel industry massive state aid but that they still preferred to set up shop in the US, Brazil or Canada rather than in Europe given the regulations and high energy prices. "Security means armaments. Armaments means steel. Steel means re-industrialisation", he said.

Ursula von der Leyen, president of the EU Commission, made similar comments on the need to deregulate. But she also highlighted some other issues, including that

the EU has no single market for financial services.

And French president Emmanuel Macron complained of Europe financing foreign companies with taxpayer money. "This is the only place where you put regulations on your players, but at the same time, you negotiate the lifting of barriers with non-European players" he said.

Danish prime minister Mette Frederiksen was more blunt. "If you do not succeed, then we will not succeed and that cannot be the conclusion about Europe," she told the industry executives."

But then again, they don't have the same problems as the UK has with sewage in our rivers.

[EuroHealth](#) always has articles of interest about issues in healthcare across Europe. The one on p29-32 about hospitals citing statistics about the growing hospital at home services in France was of particular interest. You have to go [elsewhere](#) to contrast the much fewer numbers in the UK. And as the actuaries point out later in this edition demand is increasing faster than provision.

[The Health Foundation has delivered a progress report on the first year of the Labour Government's health policies](#). In the discussion pages on p58 it says,

Our analysis illustrates how far the government is from having a coherent policy agenda to make these promises a reality. Labour inherited a health and care system under major strain and a bleak outlook for the UK's public finances. It has set out a broad vision for the

NHS and established an independent commission on social care. These are welcome. But detail on how change will happen is lacking and resources to deliver reform are limited.

Quite.

[The Institute and Faculty of Actuaries](#), who know a thing or two about long-term trends, commend the German system of compulsory long-term insurance funding of social care as a means of dealing with the rapidly mounting pressures in the NHS. 13,000 hospital beds are filled at any one time by patients who need not be there. They summarise with some stunning statistics:

- *Between 2018 and 2023, new requests for adult social care support increased from 1.8 million to over two million*
- *Yet the number of older people receiving publicly funded care has fallen by nearly 5% since 2015/6*

- *Two million older people and 1.5 million¹ working-age adults in England are not receiving the care and support they require*

- *The current system heavily depends on the goodwill of unpaid carers and is putting significant pressures on the NHS, both of which are unsustainable*

- *The annual contribution of unpaid carers now reaches £184 billion, comparable to the entire NHS budget. While unpaid carers are an essential part of the system, this dependence is unsustainable and risks deepening inequalities*

- *In 2022–23, an average of 13,000 hospital beds each day were occupied by patients medically fit to leave but unable to be discharged, often due to the absence of suitable care”*

You would think the UK Government would have a bit more urgency. Its about time the Government ripped up its [fiscal rules](#) and started dealing with the problems at hand.

Database of editions of Alternative European Healthcare Perspectives 2025

2025	Key Issues
January	United healthcare, Trump's new Team, "free to Obey", Losing faith with Deliverism, Major Trends in 2024
February	Trumps early steps, State of Play in Europe, Preventing Chris Ham, Bidenomics Failures, AI and the NHS, and Waiting lists in Europe.
March	Trump latest on healthcare; Mario Draghi and improving Europe. On the UK as per "Get In", Field Marshall Alan Brooke and Sam Freedman. DHSC accounts 2023/24, German healthcare reforms and more on UK death rates and prevention policies.
April	Wilful Blindness; Ignorance and Bliss. Abolition of NHS England. Benefits cuts in UK vs Benefits for the disabled in Europe. Covid. On why the NHS has Queues.
May	Trump sours the world; The Unaccountability Machine; Public attitudes to Health in UK and EU; the Care Dividend. Cataracts.
June	Inactivity levels; Population planning; Waiting lists; The Unaccountability Machine and crack-up capitalism; Homelessness, Social Care Review; Assisted Dying, Rachel Reeves and German Plans
July	Trump floods the Zone, UK economy, lessons on Planning and for Wes Streeting, Long term care and Primary Care. Gatekeeping.
August	Trump impact on Healthcare, EU budget, NHS 10-year Plan, Neo-natal care. Rachel Reeves, Unmet needs in Europe and New Drugs benefits.
September	Recap on Covid, the World Economy and EU, Brexit, Doctors Pay, Reconfiguring Health Services, Access to New Drugs, Productivity, Politicians, Notebook LM, EU Waiting Lists, Nurses Pay, the French Pathology Industry.
October	Ursula von der Leyen. Spinoza, Stupidity, plans that don't work. Rachel Reeves Dilemma. Immigration. AI bubble. Assisted Dying.

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