

# Alternative European Healthcare Perspective September 2024

## Roger Steer

**August is the silly season but this year it has been ridiculous. Normally August is a time when for lack of serious news, the press scours the world for fillers of dubious newsworthy value. Now the problem is where to start.**

**G**overnments across the world are struggling to hang onto power and to work out what to do with it.

Climate change is rendering traditional holiday destinations (or home to billions) unliveable. Healthcare demand continues to rise as populations expand and age, yet increased spending is deemed unsustainable.

Europeans are killing other Europeans in increasing numbers in Ukraine and Russia; the conflicts, in the Middle East (or Mesopotamia and Palestine as they used to be called when Britain took over the protectorate after the seizure of the Ottoman Empire) are set to escalate and trigger further mass migrations.

The largest power in the world is still seriously considering Donald Trump for its next leader.

Kemi Badenoch and Robert Jenrick are competing to take the leadership of the Conservative Party.

This month I start with a roundup of the EU and various European nations, drawing in a discussion of the drift of policy direction in the UK (in particular the rise of AI as the latest magical solution).

This is followed by a discussion of *Governing of the World* by Mark Mazower which casts light on the historical drift of events largely unseen, unless you are paying attention; and a recent reading of *Vassal State* by Angus Hanton, which addresses the rapidly increasing ownership of Britain by American multinationals and the implications for the NHS (referred to as 'the NHS cash cow' in a chapter devoted to the topic).

## **Who's who in the EU**

Ursula Von der Leyen has been trying to make appointments to her top team.

She was only confirmed in her post as European Commission President on 18 July but already she had a list of prospective commissioners (one for each of the countries in the EU) on her desk.

But, not all. Some governments were not able to make nominations, others in disagreement and apparently none have nominated a man and a woman as she had stipulated.

The nominations only close at the end of August but she apparently is interviewing candidates during August, before names are put before the Parliament; the appointments are officially made in November.

[Euronews](#) is a ready source of news on what's happening. See the links below to articles explaining and giving running commentary on the process and candidates.

<https://www.eunews.it/en/2024/07/19/von-der-leyen-college-commissioners/>

<https://www.eunews.it/en/2024/08/23/six-governments-including-italy-missing-from-the-roll-call-for-the-appointment-of-new-european-commissioners/>

<https://www.eunews.it/en/2024/08/23/european-commission-takes-shape-while-some-eu-countries-are-without-a-government/>

What is the likely outcome? [Que sera sera](#) or who knows?

## Summary of the changing European political landscape

It has been a funny old year of elections so far. In the UK, Labour won a landslide majority, much as expected. In France, Macron decided to go for an election and the result was three main political groupings with no majority in the National Assembly. The political landscape has changed across the EU. There has been a general drift towards the right in all member states.

The worst fears of the far-right winning elections did not materialise in the European elections, nor in France or Belgium, though only just. The Rassemblement National won the European elections in France but failed to win the legislative snap elections due to tactical voting.

In Belgium, the [Vlaams Belang](#) came second in Flanders, despite polls predicting that the party would come first. The European elections in June did see the [Identity and Democracy party and the eurosceptic European Conservatives and Reformists group](#) advancing, though not enough to secure a majority for a coalition on the right. In Portugal where the far-right was almost -non-existent, it achieved a remarkable third place, jumping up 10 percentage points from the previous election results to 18% in the March legislative elections.

In Austria, the upcoming elections promise the far-right Freedom Party with their zero-migrant policy a victory.

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*If all those anti-immigrant parties come to power with zero-migrant policies, this could be the end of Schengen as we know it.*

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But, there are limits to what far-right parties can do politically. How hard is it for a far-right party to form a coalition government? Geert

Wilders found out in the Netherlands, where he had to retreat into the background of the four-party coalition he managed to form, despite having won those elections.

Jordan Bardella also had to revise his plan to become prime minister after an alliance between the left and the centrists prevented him from winning this summer's French legislative elections.

Germany's eastern and western states, which are also divided over the war in Ukraine, have distinctive brands of politics. [The far-right Alternative for Germany \(AfD\)](#) has just won regional elections in the eastern state of Thuringia, and came second in Saxony. [Sahra Wagenknecht](#)'s party (BSW), sitting on the left and on the right somehow also performed strongly in these elections, coming from nowhere to win 16% of the vote in Thuringia and 12% in Saxony.

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*We also have seen some parties at risk of disappearing as fast as they emerged.*

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In Greece the left Syriza is falling apart after a new leader took over from Alexis Tsipras.

The Five Star movement in Italy could face the same fate, while [Ciudadanos](#) has already been decimated in Spain.

Will the same happen to Emmanuel Macron's centrists once he is gone in 2027?

All these first-ever moments show a political landscape on the move and a volatile electorate.

Welcome to turbulent times in a geopolitically challenging world.

Bob Dylan's song *the times they are a changing* is the closest to describe what we are about to witness.

## France

The French have been basking in the Olympic spectacle, with more gold medals than the UK, seemingly unfazed by the less glorious spectacle of a gridlocked Parliament, split three ways, with all united in blocking the others...

... 'bon chance' to Michel Barnier!

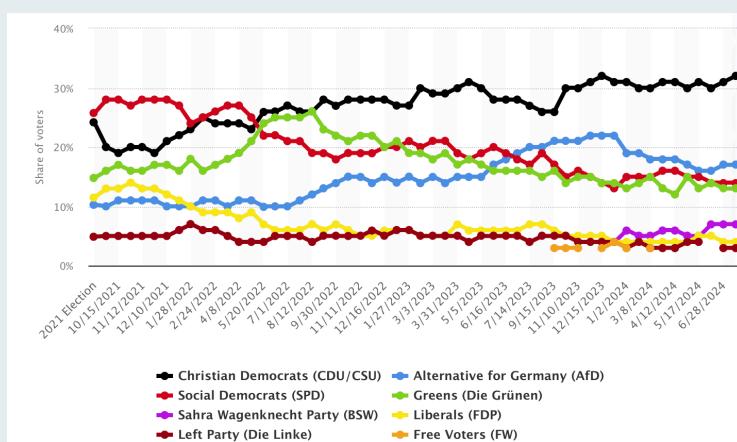
Meanwhile discussions are [ongoing](#), which is what the French like. Meanwhile the new hospital in Nantes is progressing well. [How many hospitals in the UK have this system for transporting items around their sites?](#)

## Germany

In Germany the [German Health Minister](#) seems to be in just as much thrall to [digitalisation](#) as the UK's very own [Wes Streeting](#).

But, at least it's not just that: there is a comprehensive set of reforms described and discussed [here, in the pages of Die Welt](#). He had better get a move on however as the prospects for the SPD (his party) are not looking good.

### Voting intentions in Germany



He has until September 2025 to get things sorted before the next German elections. It is not like he has only just started; this [ministerial summary](#) discusses policies on digitalisation since 2019. But health is the least of the Germans worries if [this review from the IMF](#) is any guide.

## The Netherlands

If you thought UK politics were chaotic take a look at what Politico has to say about the [new Dutch cabinet](#).

Geerten Boogaard, a professor of local government at the University of Leiden, notes the risk is high that '*each political actor will be lobbying for their own interest and maintaining their power base, rather than work toward collective success.*' '*In a relatively strongly decentralised country like the Netherlands, cooperation between the centre and local levels of government has always been crucial,*' he told Politico...

... adding that grassroots party structures and personal ties play an important role in smoothing over any rifts. But these do not exist now.

But, Boogaard added, at this point, a *cordon sanitaire* approach as suggested by Wassink of the Green Left might be a '*bigger risk to democracy than letting the pyromaniac into the engine room*', in the sense of allowing the Party for Freedom (PVV) to run the show.

At least the UK Prime Minister is not an Intelligence Chief with no party affiliation. It's just as well that the Netherlands has one of the best healthcare systems that seems to run by itself with [relatively few tweaks every year](#).

## Italy

The Italian Prime Minister, Giorgia Meloni, is a self-proclaimed fascist, who had the temerity not to vote for Ursula as the EU Commission President. Big mistake.

If you want to know what's going on, [this article from the editor of Eurointelligence, Wolfgang Munchau](#) gives a very plausible explanation. Meloni wants to decentralise the EU and not to continue the policy of integration. What she didn't realise is that the institutions of the EU

effectively prevent this. In the words of Munchau,

*The far-right would need to be in government in at least 15 EU countries to have the required majorities in the EU's Council. Both Council and Parliament are needed to pass EU laws. I dare predict this is not going to happen.*

*Under the EU's qualified majority voting system, you need 55 percent of the member states representing 65 percent of the population to get anything done. The way to repatriate powers from the EU is to do it unilaterally, and make sure you have enough allies to block punitive measures the EU might take.*

*There are no majorities for more European integration, but also no majorities for less.*

Her [policies on healthcare](#), promoting localism and expenditure cuts, are proving unpopular and without the same access to EU funds her prospects are now worse. [She's fighting back however](#). With elections not due until 2027 there is all to play for in a [very complex electoral picture](#).

## Spain

In Spain there is a socialist Prime Minister; but by the skin of his teeth, as can be seen by [the distribution of seats in Parliament](#). His cause is not helped by being mired in corruption allegations against his wife. Support for separatism is on the wane however and he is hanging on.

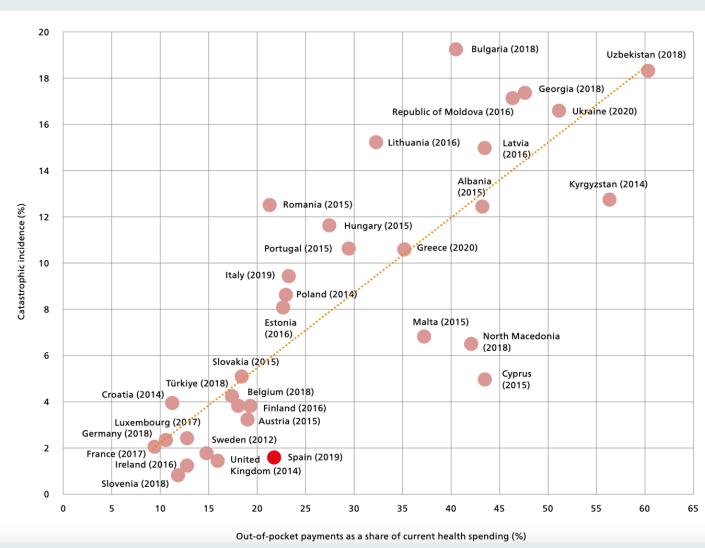
Spanish healthcare spending is over 10% of GDP and the seventh highest in Europe. Responsibility for health services is devolved to regional level, each region determining expenditure and responsible for the organisation and management of their health

systems. Regional policy can be very much linked to the left or right complexion of the prevailing political parties.

This is very different from local commissioning as we understand it in England, where health commissioners are not politically constituted — although commissioning of social care is managed by elected local authorities. The [emergent devolution](#) in Greater Manchester is better viewed as delegation rather than as pure devolution. It is not yet dependent on any transfer of health functions via parliamentary orders, so — in comparison to some other European countries — the NHS remains remarkably national with formal accountability remaining with NHS England.

[The study by the WHO](#) shows that the Spanish health system does well in terms of its impact on the poorest compared to other countries.

There is a large protection from catastrophic health expenditure but a higher incidence of



out-of-pocket expenses. Co-payments are used sparingly, applying only to outpatient prescribed medicines and ortho-prosthetic devices, and there are multiple mechanisms in place to protect people, including: exemptions from co- payments for disadvantaged groups of people (which have been expanded since 2020); an income-based cap on co-payments for outpatient prescribed medicines for most pensioners; and reduced co-payments and a

cap of per prescription item for most outpatient prescribed medicines for chronic conditions.

## Poland

In Poland a battle is ongoing between the Prime Minister and the Head of its Central Bank. [So far, the bankers are winning](#). Which is worrying. There is also a battle going on for the secret of Poland's success since it joined the EU. [This wiki](#) on the Polish economy seems to attribute the success to liberalisation of the economy and a relatively good welfare system. But [alternative wikis point to the contribution of the EU](#).

Not many attribute it to the legacy of industrialisation and investment in education during the communist era, but all the polish plumbers (and other skilled workers) that gravitated to the UK during the last 25 years (before we sent them back) didn't come from nowhere.

Whatever, [the debate now](#) is whether to rely on Foreign Direct Investment (as the UK does) or to take back control.

The jury is still out on how best to go forward if the linked article is anything to go by.

Poland only spends 6.5% of GDP on healthcare and its true per capita position is revealed in the chart from the [European Health Observatory review](#) of 2022, which shows Poland lagging badly although [in terms of results Poland doesn't lag by quite so much](#); for a country with the highest rate of obesity in Europe that is.

## Portugal and Belgium

Both are in electoral limbo with either no government or an extremely fragile

government. Presumably people keep going into work and continue business as usual. Which is just as well for their healthcare.

Apologies to all other European nations and anyone hoping to discover more on those nations and their healthcare systems...

... but I think I may have already exhausted the patience of my readers. The big question that follows is whether all this can be managed or at least governed?

## The idea of international co-operation

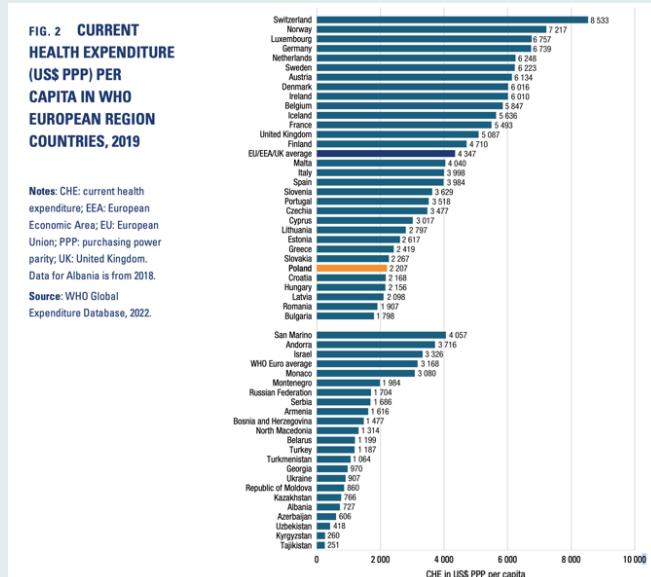
In 2012 Mark Mazower published *Governing the World*, with a focus on how we have got to where we are since 1814-15; when the Concert of the Great Powers of Europe agreed how to diplomatically manage the European Continent, and to avoid the rise of another Napoleon.

The age of International co-operation began. It's a complicated business. It involves

understanding the role of sovereignty, nationalism, democracy, international law, notions of Christian brotherhood, evangelicalism, the promotion of communism, the role of technology, science, key figures, key events and treaties.

Various philosophers have got in on the act. Kant was never keen on democracy and preferred republics with separation of powers.

He also took a dim view of international law (and lawyers in general). Instead, he saw alliances whose role was to avert and hold back wars that were always in danger of breaking out.



Bentham, the utilitarian, divided governance between administration and legislation, or the provisional and permanent matters. Bentham came to devise codifications of law for newly independent nations for how to provide for the greatest good for all.

But, the power of ideas as spread in novels on 'future thinking' gripped the public imagination as capitalism and colonialism promoted speculative fevers, land grabs, and missionary zeal to abolish slavery and establish civilisation in Africa and elsewhere.

In the UK notions of free trade; in Robert Peel's words. *'the happy instrument of promoting civilisation, of abating national jealousies and prejudices, and of encouraging the maintenance of general peace'*, came to offer an easy route to justify international co-operation (and imperial expansion).

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*Napoleon himself had posed the alternative view, that Britain through its leading commercial position was exploiting the rest of Europe, was the great enemy and advocated for a trade blockade as a defence for Europe against free trade.*

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Mazower draws links between debates in the early 19<sup>th</sup> century and the debates still taking place 200 years later. He goes on to lay out in great detail the development of European nations over the next 100 years.

After the second world war, the institutions of peace-keeping were established on a better footing (UN Security Council and NATO), grievances were avoided by not imposing crippling reparations (and the Marshall Plan for rebuilding) and international order was established through not only the United

Nations , but the dollar being fixed to the gold standard (the Bretton Woods agreement), the WTO, The IMF , the World Bank and in due course the European Common Market as the adjunct of the European Coal and Steel Community (itself established to prevent France and Germany going to war again).

France, smarting from exclusion from the Yalta Conference, increasingly sought to build and expand on the idea of a United Europe and gradually exerted its influence alongside the original six members of the European Coal and Steel Community to create the European Economic Community and then from 1993 the European Community.

In the utopian zeal prompted by the collapse of the Soviet Union and the sudden increase in membership of the EU, which doubled in membership within a decade, there were unintended consequences.

It introduced new political complications, prompted waves of movements in population unrestrained by restrictions or welcomed in the name of economic dogma, and in Britain disappointed those that had expectations of both improved economic performance and better welfare provisions.

In the end though it was the rigidity of the self-imposed rules of the EU, the Stability and Growth Pact, the inflexibility of the European Monetary system and the intent to double down on the path to integration as the cure for more of the same medicine that did for the EU in the (slim majority) of the UK mind.

Despite the madness of breaking away from the UK's biggest free trade zone, in effect building both tariff and non-tariff trade barriers to the UK's biggest market, it seemed worth it to many, to restore sovereignty, whatever that meant, and most voters had not a clue.

Mazower's final chapter '*What remains: the crisis in Europe and after*' fired a portentous warning shot for Brexit in 2012 accusing,

*Europe of empowering the regulators and rule makers over legislators and their citizens, blurring the boundaries of the public good and private interest and in the process ... rendering the nation-state hollow and its institutions meaningless.*

In his view the financial crisis demonstrated, 'enormous power had been handed over not only to European civil servants operating with little accountability or transparency, but also to less accountable groups outside the European bureaucracy altogether'.

He ended pessimistically, 'Our representatives continue to hand over power to experts and self-interested self-regulators in the name of efficient global governance while a sceptical and alienated public look on. The idea of governing the world is becoming yesterday's dream'.

Since then, the world has seen Brexit, Donald Trump, the rise of the far right in Europe and the rise and fall of globalisation as the answer to the world's problems.

Nationalism has reasserted itself; as was demonstrated by the response to the Covid outbreak, notwithstanding the French attempt to demonstrate the purchasing power of the EU. It's not as if the idea of a [Social Europe](#) is dead ....but a bit like in the [dead parrot sketch](#), it has ceased to be.

[Hungary is now nominally heading the European Council for the next six months and according to Chatham House is intent on bulldozing EU norms](#). We'll have to wait and see how events develop.

In fact, [Social Europe](#) does produce a remarkable set of documents. The question remains as to whether the idea of working beyond the nation state can capture the public imagination again in a more turbulent world.

## The UK turns to the US

As I refer to in my introduction my attention was drawn to the book [Vassal State: How America runs Britain by Angus Hanton](#).

According to this book,

*US corporations own and control Britain's economy: American business chiefs decide what we're paid, what we buy, and how we buy it. US companies have carved up Britain between them, siphoning off enormous profits, buying up our most lucrative firms and assets, and extracting huge rents from UK PLC – all while paying little or no tax. Meanwhile, policymakers, from Whitehall mandarins to NHS chiefs, shape their decisions to suit the whims of our American corporate overlords.*

The writer is an investor/researcher drawn to write the book by the steadily accumulating facts of the situation: and the question he posed and sought to answer: how much of the UK economy is now US owned?

The answer is surprisingly difficult to obtain, in the UK, but the author was pointed to figures collated in the US itself that gives direct US sales of the largest multinationals into the UK as 25% of the UK GDP, which he assesses as an understatement, because it doesn't include sales from US subsidiaries located in Europe or multinationals with less than \$850m of sales to the UK. In Europe it is 5-9%.

This means that £2100 of profit per person is repatriated from the UK to the US every year.

As for the NHS he calculates 40% of UK health spending, apart from staff costs, is already with private suppliers, with around half from North American suppliers. He sees the NHS as being reshaped to fit into American business models. American tech companies are poised to dominate in big data, AI, genetics and wearable devices. He calls for a stop to the sell-offs of the UK's most promising companies, for the UK

government to support innovation, to invest in people and to at least monitor what is going on.

Hanton concludes,

*In 2016, Britain opted to ‘take back control’ from Europe, but the nations paymasters and providers turned out to be on an entirely different continent. As a consequence, choosing Brexit has in practice meant reducing European influence while welcoming greater American ownership and control of Britain.*

While the EU seeks to regulate anti-competitive behaviour by the tech giants Britain is allowing them to dominate and buy out all competition and render the country ever more dependent on them for its most vital services.

Thus while Hanton looks to government to do something about it, it is worrying that the new government seems under the influence of those same [Atlanticists](#) that brought this situation about. Prime among these is Tony Blair, [sponsored by big tech](#), and lobbying in his [latest publication](#) for ever deeper penetration of the economy by these same forces.

As someone not sponsored by big tech, I am aware that there are alternative perspectives on this. These are just some links to the subject.

<https://www.nuffieldtrust.org.uk/news-item/ai-and-the-nhs-is-it-the-silver-bullet-that-will-improve-the-health-service-s-productivity?ref=healthpolicyinsight.com>

<https://ludic.mataroa.blog/blog/i-will-fucking-piledrive-you-if-you-mention-ai-again/?ref=healthpolicyinsight.com>

<https://www.youtube.com/watch?v=pdRzEASwksA>

The Key sentence in this second link is this:

*“There you have it - what are you most interested in, dear leader? Artificial intelligence, the blockchain, or quantum computing? They know exactly what their target market is - people who have been given power of other*

*people's money because they've learned how to smile at everything, and know that you can print money by hitching yourself to the next speculative bandwagon. “*

The description of the third link of a session at the Vienna Humanities Festival 2023 is

*“ Silicon Valley has pitched A.G.I.—or Artificial General Intelligence—as a solution to the world's problems; all we need to do is to make it safe and mitigate its risks. And, of course, to build it: it doesn't yet exist. Yet, Silicon Valley gets it wrong: even the safer version of A.G.I. is not desirable, for it will amplify already neoliberal trends while posing a threat to democracy and public reason”.*

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*It's the first time I've heard the problem described as the privatisation of problem solving.*

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*In his 2013 book Morozov described IT as a solution looking for a problem for which we don't know clearly the costs and benefits and which the answers are more often social and political rather than technological. We are being sold a promise wanting subsidy rather than a fully worked out solution to any problem.*

In conclusion, the tech companies have invested a fortune in AI and the only people able to repay this are governments and public services.

The last time Blair got involved in the NHS was by foisting the NPfIT on the NHS. That was never going to turn out well as most people who read the business case said at the time.

But does it matter that the US Big Tech and other healthcare multinationals are buying up the NHS supply chain ( they are not interested in staff or real estate) ? Does it matter that they donate hundreds of millions to the Blair Foundation, or pay ex-politicians fortunes for

easing the path to buying up Britain (its what ex-chancellors do now apparently)? Does it matter that Wes Streeting has [taken £175,000 from private healthcare companies or investors in such companies?](#)

I believe it does. The next announcements are due in the next few weeks on both the public investment and public finance plans for the new UK government, and as a consequence its intentions for health and social care. Stay vigilant.

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[Database of previous newsletters 2021-2024](#)