

# Thatcher's Achilles Heel?

All hell has broken out in the NHS. It is open revolt. But where will it lead? **Steve Liffe** sketches out the scenarios. And we ask three leading figures in the thick of it what they think should happen



dd thing, news. Most probably babies have died waiting for heart operations before this autumn, but only recently did one catch the PM's eye. Perhaps the close attention of media lenses sharpened her vision. At long last, the NHS is turning on the government. Health authorities are threatened with legal action by their professional employees, copying mutiny from porters and cleaners. Stern surgeons, flanked (as ever) by nurses, spread petition pages for the cameras, with Downing Street as the backdrop.

What's new? The NHS was underfunded in 1983, when Margaret Thatcher insisted that it was safe in Conservative hands. There have been petitions by the hundred, sad stories of treatment refused and old, frail people decanted from place to place, demonstrations and occupations, angry fights in health authority meetings, white-coated protestors on television, and press coverage by the column mile. So why in the autumn of 1987 was the NHS hot news, why did so much protest reach our screens and papers? Was it not all there before, but unattended by the media?

Yes and no. Trimming the fat from the NHS budget has done more than make the service lean. It has bared the bones of NHS medicine - the acute hospitals - and triggered a wave of professional anger. Budget cuts that whittled away the family planning clinics and community nursing services were bad, but not bad enough for the kind of political response we have seen recently. Speedy discharge of hospital patients caused problems, particularly for

them, but sometimes for the hospitals when they were re-admitted iller than before, yet it was all tolerable for those with higher priorities. Closure of long-stay mental illness beds might produce local scandals - badly damaged men and women surviving in solitary, squalid accommodation, or opting to live rough - but none of it interfered too much with the essence of our health service - the coronary care units and the operating theatres and the incubators for tiny babies. Of course, there are waiting lists and shortages and queues, but not everywhere, and not if you know how to use the system, and everything held together somehow.

Until now. Now there are insufficient beds in coronary care, too few nurses to run theatres, more tiny babies than incubators - and no trimmable luxury services like child psychiatry or psychosexual counselling big enough to close the huge gap in the budget. Whole wards must go, then whole hospitals.

Enter the boys in white. Or rather, the patricians. Specialists who have wept at every cut, but counselled caution and withdrawal to the next barricade, have glanced behind to find - nothing. For many hospital consultants - particularly those in London teaching hospitals - this barricade is the last. Their slots in the new commercial hospitals are trysting places, not homes. There are no research departments, massive back-up facilities, or junior teams on call, even in the biggest commercial emporia. The NHS is the base, the launching pad for almost all clinical practice and scientific medicine. It pays badly (by comparison) but it has no rivals.

Self-interest is not the whole story, but it is a large part. Of course, the

protests are genuine. Patient care is being harmed, people are suffering because of government policy, and those who care for them are angry. Their work is important, the help they give is necessary, often vital, and their patients are (in the main) grateful for a good service well performed. Yet we need to repeat the question - what's new? The answer is that some patients, some problems and some professionals are more important than others. Our eyes are drawn to the baby in the incubator more often than to the dement in the wheelchair, and we listen to the surgeon more than to the geriatrician. The political crisis around the NHS reveals political priorities that have governed it for decades.

**For now, this need not matter. There is a crisis, it must be resolved. Who will do this, and how?** When a thousand senior figures in the medical profession signed a petition supporting the pressure group 'Health Alert's demand for extra funding, was the government's intransigence dented? How much impact have opinion polls that show the growth in public concern about the NHS? Are the dispatch-box exchanges between Kinnock and Thatcher over health service cuts undermining Conservative confidence and credibility? Will the trade unions intervene? What will the two studies of health service financing, due out in the spring of 1988, conclude? Will the official report on 'Community Care' be very critical of government policy, just critical, or even-handed? Will the Warnock review of embryo research policy be controversial, with serious implications for both the NHS and commercial medicine, or will it pass unnoticed? Will David Alton's bill to reduce the abortion time-limit prompt an anti-abortion backlash, or will it be contained and damage few women?

When we ask these questions we measure the depths of the crisis, for we have so few answers. The crisis of the health service is a political crisis for the Left as well as for the Right. Those with apparent power - in the parliamentary opposition, in the trade unions, even within the DHSS and its health authorities - lack the guidance of a workable strategy.

**W**e face a dilemma. What kind of health service do we want, and what is possible? The current cash crisis in the NHS is only the surface of the problem, and those now defending the acute hospitals face the law of diminishing returns; the yield of better health decreases while the medical resources used increase. Solving today's problem only to face it again tomorrow seems foolish, yet most of the Left sees NHS underfunding as the essential, or even the only, issue. The more substantial issue of value for money in medical care has been left to the Right and Centre to debate and formulate, with the inevitable result

that these political forces dominate in a period of change, leaving socialists to argue for the status quo.

Our hospital services are capable of absorbing a growing proportion of the NHS budget and of making health services absorb a greater proportion of national wealth, as seems to have happened throughout the capitalist world since the 60s. There is no doubt that modern medicine is effective, at least for some people and some illnesses, but it cannot claim the major credit for our overall improved health. Yet health services could absorb resources that, deployed in the expansion of housing, public transport, education and personal disposable income, might yield greater improvements in health.

**T**his situation is likely to worsen rather than ease because we are entering a new phase of technological change within medicine that will refine medical care, but at great expense. New methods of investigating body functioning, and of diagnosing and treating disease, particularly cancers, are now appearing. Their impact upon us will be great, but less than promised; their research, development and application costs are likely to be greater than expected.

It is not that the Left lacks practical ideas, but we do lack a game plan. Labour has access to well-developed proposals for the reform of some parts of the health care - particularly community services like neighbourhood nursing, general practice and community care of the mentally ill - and it has the beginnings of a consumerist slant to health policy in the renewal of the public health movement and the emergence of the Public Health Alliance. What Labour lacks is a perspective on health economics and on the control of the health care machine. To say that this country is rich enough to afford the health service that it needs is acceptable on the Left, but it is neither an argument nor a guide to action, simply an empty slogan. To urge 'democracy' on the NHS and to calculate the possible composition of health authorities is to evade the central problem of NHS management - how to control the real consumers of health budgets, the professions linked closely to the drug and medical equipment industries.

Guessing is an uncomfortable business for a Left built on certainties, but we have one consolation. The Right is guessing too. The Conservatives have no game plan either, but attack issues aggressively and monitor reactions carefully. The demolition of the NHS has been prophesied for years, yet has not occurred. Thatcher's government has retreated in the face of public opposition to its attack on the health service, and the Conservatives have been forced to project themselves as the guardians of the NHS. The third term should offer Thatcher the chance to do away with the central institution of the welfare state, but no bold plan to

## A Labour View



Sam Galbraith is Labour MP for Strathkelvin and Bearsden and a neurosurgeon

"There is no chance of commercialisation offering an economic revival for the NHS. More money would be created from token incomes - charging overseas patients commercial rates and running shops in hospital foyers. These constitute very minor marginal sums and the amount of money needed requires government input from the exchequer.

There is always a tendency to go for talk about restructuring, whatever that means. It probably means that the NHS is chronically underfunded. But more is required, like looking at waiting-lists, the use of beds, use of operating theatres, outpatient care and using proper management techniques. However, looking at these things alone will have no effect whatsoever without putting in extra money.

We will miss out to the Tories if all we do is harp on about how bad things are. We have to formulate a view of what we are going to do about it. I hope we will produce an efficient health service, but one that's concerned with efficient provision of care. The Tories are only concerned with economic efficiency, which is a euphemism for cheapness.

The argument that funding technological developments is not worthwhile, because there is no relative increase in medical care in the short term, is the argument against giving penicillin. If penicillin was discovered today, Thatcher would think it was a burden and say the nation could not afford it. Medicine must move on.

One of the most surprising things is the BMA knocking on the government's door about the state of the NHS and opposing any extension of private medicine. As long as they continue to say this, there is every opportunity of us being able to return to a fully comprehensive free service.'

replace the NHS with a system better suited to an enterprise culture has emerged. The government's inability to act decisively points to the difficulties that Conservatism has in coping with health-care politics. The high-profile health service campaigns of this winter underline Tory vulnerability, and give Labour a potential advantage.

With different problems inter-related in complex ways, and political movements uncertain of their scope for manoeuvre, it is difficult to predict short, medium and long-term outcomes for the present crisis. By thinking of best and worst-case possibilities, and inventing a middle path between them, we can examine three guesswork scenarios to get some idea of the range of political interventions open to us.

**Scenario 1: The Christmas holidays** have interrupted the protest campaign headed by 'Health Alert', giving the government time to organise its response. With the help of the Conservative Medical Society differences of opinion within the BMA are amplified and broadcast through the press and tv. The specialists leading the protests are criticised by the government (as in December 1987) for shroud-waving, for pursuing their own interests at the expense of other parts of the health service and for assuming that they have greater rights to speak for the NHS than humbler professionals working in other disciplines. (Humbler professionals protest at these divisive tactics, but are not reported.)

**G**eneral practitioners within the British Medical Association urge moderation on their colleagues, in case the government withdraws the favourable financial proposals within the Primary Care Bill. ('Good' practices look set to increase their incomes for only a little extra paperwork whilst 'bad' practices take a beating for their indifference.) Some prominent members of the Royal College of General Practitioners encourage this tactic, behind the scenes, and the leaderships of the BMA and all the Royal Colleges get strong hints from DHSS officials that further political involvement would be counterproductive.

The Royal College of Nursing is less awed by overt and covert government pressure, and launches yet another campaign to promote the status and income of nurses. Junior ministers talk of a DHSS enquiry into nursing in the NHS, with a prominent RCN figure on the enquiry committee.

The National Association of Health Authorities and the Institute of Health Service Managers read the signals hidden within government statements and DHSS briefings, and pause for thought. With the BMA offensive halted and the nurses moving at a tangent, health service managers see the potential for their own powers to increase. An older objective - the dominance of management over pro-

**'Babies have died waiting for heart operations before this autumn, but only recently did one catch the PM's eye'**



fessional decision-making - reasserts itself. The coalition of Labour members of London health authorities and 'radical' unit managers planning concerted defiance over budget cuts to coincide with the service's 40th birthday in July 1988 decide to keep their powder dry. They rationalise their caution with a familiar argument: 'given the lack of support for decisive action, it is better that we manage the declining service than hand it over to government stooges'.

**E**ncouraged by these signs of caution within the health service, the government refuses to make further concessions, beyond the one-off extra payment of £100 million and mortgage help for nurses announced in autumn 1987, but the prime minister restates her opposition to 'hotel charges' for hospital in-patients as evidence of government concern.

Anti-cuts campaigns continue and even increase in number as more health authorities make 'unpopular' choices, but health politics slip from the national to the local press. Trade unions split their attention between campaigning against further privatisation of hospital catering, cleaning, management and laboratory work, and preparing for a new round of wage negotiations. The BMA focuses on the deliberations of the Doctors' Review Body and the RCN turns its attention to the new DHSS enquiry and the increasing problems of nurse recruitment and education. The Warnock committee's report on embryo research is published in the spring of 1988, and its conclusions grab the headlines, overshadowing the conclusions of the 'Community Care' report in all but the specialist press.

The commissions studying health service funding report - in the late summer, when parliament is in recess, not in the spring as planned - with both advocating a shift in the balance of private and public funding in favour of private finance. Commercial investment in new hospital starts rises rapidly, with US-based corporations leading the field, and private health insurance companies extend their benefits to include general practice and some types of alternative medicine as well as clinical psychology, short-term psychotherapy, physiotherapy and midwifery.

**The events of 1988 set the tone for health politics for a decade.** By 1997 20 million people are enrolled in private health insurance. Dual services operate for insured and NHS patients from the same sites, particularly in general practice but also in some hospitals. Charges are introduced for NHS preventive care, including contraception. The network of registered 'alternative' practitioners doubles to nearly 16,000 and a new professional organisation is formed, the British Alternative Medicine Association, with its launch con-

## A Nurse's View



Sally Gooch is an elected member of the Council of the Royal College of Nursing and a district nurse

The current crisis in the NHS is absolutely about lack of money, but there are more fundamental questions too. From the beginning, we have seen a concerted campaign to undermine the service and now every cut strikes at the heart of the NHS. It's deliberate. Thatcher cannot claim to seek to destroy socialism and maintain the NHS in its present form.

Of course, there need to be continuous efficiency reviews. There needs to be a restructuring in terms of where the money goes. It needs to go into primary care and preventive care and out of the hospital, which is the power base of the professions.

But the extension of efficiency reviews means that it becomes conventional to say that more money does not do any good. The underlying suggestion is that health care professionals - and patients - are demanding money for the sake of it, but I have yet to meet a patient who comes in for an operation they don't need.

There is certainly a conflict within the health service unions at the moment as to the role nurses could play in highlighting problems. There are those who would like nurses to move into traditional union-style action and those, like the Royal College of Nursing, who are trying to find a new, non-industrial model of organisation. There's a danger in the nurses' strike in north Manchester. Making sure people understand there is a shortage of nurses is much more important than a type of action that cannot be followed through but could demoralise public confidence in the whole system.

The time for building is now. There is a risk of dissipating energy and a lack of co-ordination that we need to redress. We must make sure that the message we employ is effective and that, above all, we do not lose public confidence.'

ference sponsored by two health insurance companies.

The diversification of funding sources and the differential growth of commercial hospitals increases the variability of services across the country, with the NHS staying dominant - but underfunded - in the poorer regions (the North, Scotland and South Wales). Commercial medicine dominates in the South East and expands to rival but not overtake the public service in the South West, the Midlands and East Anglia.

Towards the end of the 1990s, market fluctuations and investment decisions made outside the UK make the commercial medical sector unstable and a source of recurrent scandals. Media reports highlight the over-investigation of ill people by commercial clinics keen to enlarge medical bills, and the rising operation rate for minor problems. Instances of poor treatment where money, not professional judgement, motivated the practitioners make harrowing documentaries. The shoddy care of elderly infirm men and women 'warehoused' by commercial nursing homes alarms the insured middle aged.

Public pressure for the introduction of new services based on new technology grows, fuelled by the 'greying' of the population and by the ageing of the youthful activists of the 1980s, still bitter at their defeats in the elections of 1992, 1997 and 2002. Pressure to introduce a nationwide screening programme to identify and treat people with biochemical predictors for cancer causes fright in the Treasury and in transnational corporations alike. One alarmist accountant totals the costs of the cancer prediction and treatment programme to a sum equal to half the current total health care bill.

**A**nxious for new sources of money, smarting from public criticism and keen for firm guidance, Britain's poorly co-ordinated medical services, reminiscent of those of the period between the first and second world wars, are finally integrated under local authority control and central government financing in the second decade of the 21st century.

**Scenario 2: Despite the government's counter-propaganda and intense hounding within the medical profession by the Conservative Medical Society, the 'Health Alert' campaign has regained the headlines early in 1988, and keeps the plight of the health service in the news for several weeks. Official claims that the service is booming and blooming carry decreasing credibility and backfire on the DHSS and on the increasingly desperate health ministers, Newton and Currie. A series of personal disasters - including the avoidable death of a baby girl in an inadequately staffed neo-natal unit - combined with the unfortunate public style of junior minister Currie reduce government popularity and lose the Conservatives half of their lead over**

**'What kind of health service do we want, and what is possible? The current cash crisis in the NHS is only the surface of the problem'**



**The events of 1988 set the tone for health politics for a decade. By 1997, 20 million are enrolled in private health insurance'**



Labour in the polls.

In the spring of 1988 the BMA launches a campaign, jointly with the RCN, to publicise the shortcomings of the NHS and call for an increase in public spending on health care. Leaflets are handed out from outpatient departments and GPs surgeries, encouraging patients and their relatives to deluge the prime minister with personal votes of 'no confidence', carefully included in the leaflets themselves. Trade unions in the NHS join this campaign, though not without some grassroots criticism of the 'johnny-come-lately' style of the professional organisations. Government ministers are harassed wherever they go by campaigners demanding more NHS spending, and for the first time since 1983 Conservative voters keep quiet about their allegiance.

Knowing that the imminent reports on health service finance will argue strongly for the existing system, and criticise alternative sources of funding as undesirable and largely unworkable, the prime minister announces an extra payment of £250 million for the NHS, to be repeated in 1989. She denies that there has been any shift in government policy, insisting that renewed economic growth permits greater spending - for the moment. A cabinet reshuffle follows and both Newton and Currie lose their DHSS responsibilities. One US-based transnational announces that it intends to sell off its UK commercial hospitals.

In the middle of 1989 the prime minister announces her retirement. Despite the surprise expressed by almost all commentators, reasons are rapidly found. Economic growth is not expected to stay on target, the stock market crash of 1987 having soured UK investment more than expected. Unemployment seems likely to rise again, despite continued manipulation of the figures. Press discovery of the astonishing growth in the number of people on long-term sickness benefit - switched away from the unemployment queues but capable of working if there were jobs to do - threatens to evolve into an ugly scandal. The prime minister is tired and apprehensive, and decides to hand over before her (still considerable) personal popularity wanes.

The succession is smooth, and a new leader projects an image of moderation. Just after publication of a critical report on the state of NHS building stock, and just before the Doctors' and Dentists' Review Body reports that income restraint for NHS doctors will be necessary in the coming year, the government calls an early election. The Conservatives win the 1991 general election, but with the party's majority halved. 'Health Alert' reforms, highlighting the return of a funding crisis in the NHS. A catastrophic fire in one of the 'tower block' hospitals built in the late 60s shocks the country, and *Guar-*

## An Economist's View



Gordon Best is Director of the King's Fund College, a leading NHS think-tank

**'Commercialisation is the crucial issue at the moment. You can take it as read that this government will not spend significantly more in real terms. And seeing that more has to be spent, where can this money come from?'**

**You can talk about lotteries and voluntary sectors, but then you are only talking about tens, at most hundreds, of millions of pounds - and we need another £1,000-£1,500m. The only place we will get this from under the present government is the private sector.**

**The question that matters is, are we going to attract private sector resources into health care in a way that strengthens and reinforces the NHS or in a way that duplicates and undermines it? There are very few proposals along the former lines. How can you attract private sector money in a way that is genuinely complementary and does not distort equality? There are ways, but the most depressing thing is the poverty of thinking about them.**

**Some of the thinking that Bryan Gould has been doing around workers' co-ops and ownership is what is required in the NHS. Socialist criteria can be used to attract in private sector money for ends that would be consistent with the ends of the NHS. This is a difficult concept to devise and make simple enough for people to understand and also to hold up and contrast with what the Tories are doing. But that's what Labour could do.**

**I don't think it's obvious that the Labour Party can only gain from the crisis. One distinct possibility is that Thatcher will set up a blue-ribbon panel to tell her what she wants to hear: greater competition but with a clear safety-net, and that she will promote this to catch the imagination of the same people who bought council houses. I wouldn't put it past her.'**

Interviews by Ricky Kelehar

*dian* leader writers predict the return of a Labour government at the next election, citing opinion poll evidence about the collapse of voters' confidence in Conservative management of the economy and of welfare services as the two causes of Tory decline.

**Scenario 3: The entry of the BMA and the Royal College of Nursing into the campaign for greater health service spending galvanises the trade unions. A series of 'days of action' result in large demonstrations in every major city, huge lobbies of parliament and, unexpectedly, sporadic industrial action. Government attempts to censor tv news and documentaries on the health service fuel the protests.**

**T**he TUC calls for Friday July 8 to be 'Health Service Day', with trade unionists and their families attending local festivals and rallies to celebrate, and defend, the service.

Within the cabinet the arguments of DHSS ministers overcome the Treasury's insistence that no further public spending is tolerable. Education ministers support Newton and Currie, noting that the protest against Baker's bill has increased rather than decreased during recent months. Civil servants responsible for planning the transition to poll tax point out the risks of attempting to defy public opinion on several issues simultaneously.

The prime minister agrees to announce further interim extra funding for the NHS, giving another £100 million as a one-off payment to match that given in autumn 1987, but with extra concessions to nurses' pay. The RCN describes the government's move as 'welcome, if less than hoped for'; BMA spokesmen criticise Thatcher's plans as 'grossly inadequate, but a start', and talk of a long campaign of public education by BMA members. 'Health Service Day' happens, with widespread work stoppages. The TUC announces that 'Health Service Day' will become an annual festival, until the NHS is properly funded. The Labour Party calls for a national demonstration, in defence of the NHS, to coincide with the opening of parliament.

All the health ministers are replaced in an autumn cabinet reshuffle, and Labour's demonstration - of 100,000 people - halts London for a day. News coverage of the NHS begins to focus on the growing problems of Aids sufferers, after the suicide of a young dying man who had been discharged from an intensive nursing unit because of bed and staff shortages. An off-the-cuff remark about extra funding for the NHS made by Prince Charles at a City banquet in December causes the cabinet great embarrassment.

Early in 1989 the prime minister resigns, under pressure from the Conservative Party. Her departure, and the growing 'wetness' of the party as a whole, provokes an intense internal conflict, with the ultra-Right denounc-

ing centrists in an unprecedented display of factionalism. The leadership struggle lasts months, not days, and the government's popularity slumps - helped by the sluggishness of the post-crash economy.

**L**abour launches a campaign for 'A New Health Service', with four central policies: to increase spending on the NHS from just under 6% of gross national product to the EEC average, 8%; to channel resources as close as possible to the citizen, at worksite, school and home ('Goodbye to the hospitals' says one glitzy Labour tv commercial); to introduce a 'Bill of Patient's Rights' guaranteeing a range of health services to every citizen; and to give every citizen his or her own medical record, encoded on a smart card, starting with the children born in the year 2000.

The Conservative Party loses the 1992 general election. Although Labour does not win it, it is the dominant partner in the hastily formed coalition.

**We would all like the third scenario to come true.** It would vindicate a strategy that was once sound - the alliance of a broad range of political opinions against an increasingly isolated enemy - and bring about an objective that is hopeful, the election of a Labour government with a progressive policy for health.

Unfortunately it is the least likely outcome. Professional organisations

are poor leaders of movements that topple Conservative governments. They are over-committed themselves to market solutions for health care problems, their professionalism being founded upon a deep distrust of collectivist approaches to social welfare. Trade unions may well campaign for the health service, but the political and economic climate is oppressive and discourages the kind of sanction - loss of production and services - that would impress an aggressive government. And whilst Labour has a good front bench health team, at the moment it lacks the policy-making apparatus to produce new ideas, the political machinery to educate its own supporters in those new ideas and to implement new policies, and even the political culture to promote medium-term mass campaigning.

Nevertheless, we must not miss opportunities to block Conservative attacks and, perhaps, push them onto the defensive. Every campaign against local cuts does matter, however hopeless it may seem at the time - guerrilla bands do not occupy territory, but that does not mean they are ineffectual, only that they make poor garrisons. Every delay and failure to provide services needs publicity, just as every success by NHS staff working against the odds needs praise. But even on this familiar ground we cannot take too much for granted. Much that was solid has already melted into air. Conservat-

ism has converted progressive ideas into instruments in the market's hidden hand. 'Care in the community' has become a cost-cutting exercise that releases real estate almost as fast as it releases mentally ill people from inadequate, but at least existing, care. 'Prevention' and 'Health Promotion' have been filleted of their meaning and turned into marketable, and potentially billable, commodities in a society in which health hazards are accumulating fast. Planning has become a device for anticipating and costing throughput, rather than a tool for measuring outcomes and needs. Much of the Left's intellectual capital has been stolen, and more must be accumulated.

Yet the government remains on the defensive and faces unprecedented challenges from angry and increasingly militant nurses and doctors. Sudden changes are possible, and we should take advantage of every opportunity to attack the Conservative management of the NHS, without making scenario 3 our only hope in the way that Labour in local government banked on a Kinnock victory in 1987. Thinking about scenarios 1 and 2 is necessary and may even be a precondition for success if scenario 3 works out after all. The more thought and work put into the politics of professionalism, the problems of funding and the impact of new technology now, the better the Left will deal with those issues with or without electoral success.

**'In the middle of 1989 the prime minister announces her retirement'**



# HANDS OFF OUR HEALTH SERVICE



NATIONAL UNION  
OF  
PUBLIC  
EMPLOYEES

