Sixty years of privatizing the NHS

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Introduction

• Recent governments’ vision of an increasingly diverse range of providers of health care services have led to accusations of ‘privatising the NHS’.
• However, ‘privatisation’ is a slippery weasel word, and similar claims have been made throughout the NHS’ 60 year history.
• This paper examines the conceptual arguments associated with different types of ‘privatisation’ drawing on the ‘mixed economy of welfare’ (MEW) literature, and provides an historical exploration of privatisation in the NHS.
Privatisation

• Significant use (over-use?) of the P-word?
• General ‘boo word’ that lacks definitional and analytical precision.
• Cognate terms: commercialisation, marketisation, re-commodification etc
• Different narrow and broad definitions, non-definitions and implicit definitions.
• Wider issues of ‘publicness’, public domain, public value, public service motivation etc (not discussed here)
Dimensions: Mixed Economy of Welfare

- One dimensional: provision
- Two Dimensional: provision and finance
- Three dimensional: provision, finance and regulation.
- (Fourth dimension of ‘decision’ eg Burchardt)
1948 – 1979
THE ‘CLASSIC’ NHS
Provision 1948-79

- GPs & Dentists
- Ad-Hoc Contracting
- Hospice & Mental Health
- Market
- Informal
- Voluntary

State
Funding 1948-79

- State
- Market
- Informal
- Voluntary

Charging

Aftercare
Regulation 1948-79

- Community Health Councils?
- Hospital Advisory Service?
- GMC & Royal Colleges?

Options:
- State
- Market
- Informal
- Voluntary

Market
Informal
Voluntary
State
Privatisation 1948-79

State

Market

Informal

Provision

Voluntary

Funding

Regulation

Summary
1979 – 1997
THE ‘CONSERVATIVE’ YEARS
Increased use of private capacity

GPs & Dentists

CCT of ancillary services

Hospice & Men Health

Provision 1979-97
Funding 1979-97

- Limited PFI
- Prescription Charging
- Aftercare
- Eye Tests

state

market

informal

voluntary
Regulation 1979-1997

Community Health Councils?

GMC & Royal Colleges?

Hospital Advisory Service?

market

informal

state

voluntary
1997 – 2010
THE ‘LABOUR’ YEARS
Regulation 1997-2010

- GMC & Royal Colleges
- HCC/CQC
- Monitor

State

Market

Informal

Voluntary
Privatisation 1997-2010

State

Market

Informal

Provision

Funding

Voluntary

Regulation

Summary
2010–12
THE ‘COALITION’ YEARS
Funding 2010

- State
- Market
- Voluntary
- PFI & LIFT
- Prescription Charging
- Aftercare
- Eye Tests
- Informal
Funding 2010-12

State

Market

PFI & LIFT

Voluntary

Prescription Charging

Aftercare

Informal

Eye Tests
Regulation 2010

- GMC & Royal Colleges
- CQC
- Monitor
- State
- Market
- Informal
- Voluntary
Privatisation 2010-2012

- State
- Market
- Informal
- Voluntary

Provision
Funding

Regulation
Summary

Summary
Privatisation 1948-2012

State

Market

Informal

Voluntary

Provision

Funding

Regulation

Summary
Discussion:

• NHS was never a purely public service
• Conservative years did see a shift to increased privatisation
• Labour years saw significant shifts in relation to funding & provision but arguably governance counterbalanced this to some degree
• Coalition continues these trends but with potential ‘privatisation’ of decision making
Conclusion

• No clear consensus on definition and measures of privatisation
• Therefore potential for different accounts
• Our account has focussed on MEW but other approaches such as publicness are possible
• This account neglects the most important issue – the impact of ‘privatisation’. Do different types and degrees have varying impact?