

## Preface

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*Health and Economic Growth* is the result of an excellent initiative by two Spanish health economists, my colleagues Berta Rivera and Luis Currais, both of whom are Research Fellows at the Economics and Health Research Center at Universitat Pompeu Fabra and members of the Economics Faculty at the University of A Coruña in Galicia.

In preparing the preface to this volume I have become aware of the growing interest in this field and its importance as the chosen leitmotiv for the International Health Economics Association Conference, which I will have the honor to chair in Barcelona in 2005.

This book is a collection of essays by the foremost researchers in health economics and growth, and is readily accessible to readers with no background in the field. It emphasizes the relevance of devoting time, financial resources, and effort to the improvement of health and social welfare. This requires not only an investment in health care, but also in public health policies, sanitation, nutrition, and other sectors that interact with health. The relative weight of each of these factors or investment priorities are intimately linked to the part of the world being contemplated; so investing in health should not be envisaged as simply pledging funds for higher health care spending in a broad, non-selective fashion. Health investment also involves devoting attention to a wider range of strategies that are mid- and long-term in their outlook and that aim to improve the population's human and social capital. Such strategies may require a greater focus on medical research in the developed world. It will also require striving toward innovation, changing practices, and improving human capital in the clinical management arena in an attempt to augment its effectiveness and efficiency in the real world.

The first component of investment (research and development) in real terms is, to a great extent, influenced by markets and the willingness of

wealthy countries to pay. This is the case even when it leads to minor breakthroughs and adds value for health. From time to time however, research investment generates positive externalities worldwide. Semi- and less-developed countries can benefit from important innovations in health care, even if they have not made any financial contribution. Some benefits are certainly limited due to patent protection. Nevertheless, even in this case, they may benefit from price discrimination and be able to have access to better health care. A greater social responsibility by the pharmaceutical industry may help considerably to improve health in less developed countries.

The second component of investment (fighting poverty and improving human and social conditions) is undoubtedly linked to education and workforce strategies. This involves the need to enlarge our perspectives and to open minds from within and outside the health care system. This is not always an easy task when public policies are designed.

The findings of the impact of health on economic growth and the analysis of the different dimensions of their connections will contribute to a deeper understanding of the benefits of investing in health. This understanding is highly significant for economic policymaking and should help to contribute to human and socioeconomic development.