

## **E2 | SOCIAL CHANGE IN EL SALVADOR AND THE HEALTH SECTOR**

### **Historical backdrop**

June 2009 marked the beginning of a new era in the history of El Salvador, when, through democratic elections, the first ever left government came to power in the country. This had been preceded, starting in 1932, by fifty years of military dictatorship, which, in the 1970s, erupted into a civil war (1979–92) that only ended with the negotiated Peace Accords. This was followed by four neoliberal administrations.<sup>1</sup>

At the end of the nineteenth century and in the early period of the twentieth century, a model of production based on an agro-exporting economy led to a polarized society: on one side was an oligarchy that amassed wealth produced by mono-crop plantations, and on the other the masses of poor peasants and daily labourers, who earned cash from harvesting these crops and then tended their own subsistence crops the rest of the year.<sup>2</sup> In the 1950s and 1960s, the United States, anxious about the explosive situation in Salvadorean society, pressured the local oligarchy to invest its huge profits in industrialization of the nation (Lindo-Fuentes et al. 2007). The objective was to promote export-oriented industrialization that would make it possible to reduce social polarization and develop a middle class. It was hoped that this would alleviate the high levels of poverty and exclusion that were fuelling social discontent, roused, in turn, by the example of the recent victory of the Cuban revolution.<sup>3</sup>

Attempts by the USA to implement this new model quickly fizzled out, and in 1969 led to the war between El Salvador and Honduras (known as the Soccer War).<sup>4</sup> This was the immediate trigger for the emergence of political-military organizations in El Salvador in the early 1970s (ibid.).

### **The struggle against military dictatorship**

The revolutionary movement in El Salvador grew fast, spawning a broad organization of the mass of people and a guerrilla army. In 1980, the movement took a qualitative leap, from its initial sporadic urban attacks, as it initiated combat against the army of the dictatorship, which was militarily and economically aided by the US government.

The war transformed the nature of outmigration, which until then had been for economic reasons. It swelled to increasingly include people fleeing political persecution at the hands of the military dictatorship. The vast majority of migrants went to the United States, and in a few years their numbers

ballooned to almost one third of the Salvadorean population (approximately two million).<sup>5</sup> They became the greatest source of foreign exchange for the country by sending remittances to relatives they had left behind.

The people's struggle against the military dictatorship expanded to the entire country. The guerrillas took control of large areas and the fighting spread to the countryside, which seriously affected agricultural production. The landed oligarchy abandoned the agro-export model and adopted a service-based economic model aimed at capturing burgeoning family remittances. This was accompanied by a boom in consumption, development of the banking system, and increasing commerce, culminating in the 'dollarization' of the economy.

### **The health system in El Salvador**

Development of the Salvadorean health system has been determined by the succession, development and dominance of these economic models.

While the agro-export model was dominant and society was split between a landowning bourgeois oligarchy and broad masses of labourers and peasants, the health system was primarily a charitable network of health services for the poor, which had unreliable government funding.

When the door was opened to export-oriented industrialization, in order to guarantee the productivity of the industrial labour force and respond to the demands of the emerging middle class, the Salvadorean Social Security Institute was established, modelled on the classic Bismarckian tripartite financing system (government, workers and employers). It led to the development of a model which provided 'high end' curative care. On the other hand the public system, designed for the poorest segments of society lacking formal employment, provided extremely limited services. However, the social security system never covered more than 20 per cent of the population, leaving large groups of people grossly neglected and excluded (CDHES 2005).

During the worst years of the war and the transition to a service economy, the aggressive commercial and financial bourgeoisie identified, in the Salvadorean Social Security Institute, an opportunity to make more money through privatization. Starting with hospital services and speciality care, they later attempted to privatize the entire model, replacing it with a variety of private insurance providers, which provided services according to people's ability to pay.

By the beginning of the twenty-first century the war had ended and social movements started regaining strength.<sup>6</sup> In the early 2000s, attempts to privatize the social security system and the primary level of care provided by the Ministry of Health's service network unleashed a wave of public protests. Several new organizations were created and fought privatization of health (Orellana 2013). They were successful in overturning legislative decrees and other manoeuvres aimed at privatizing the Social Security Institute.

During this period, and in juxtaposition to the neoliberal governments' attempts to privatize services, the social movements developed numerous



**Image E2.1** Defence of the health reforms proposed by President Funes in El Salvador (Boris Flores)

proposals to reform the national health system. These proposals aimed to create a health system that would be more equitable, less segmented, less fragmented and more identified with the defence of the right to health.

### The new government and health reform

People's awareness of the need for a health system with the above characteristics and an organized movement born out of the anti-privatization protests found a channel for their aspirations with the electoral victory of the current government, in 2009.

A broad-based process of consultations with public participation was organized to develop a National Health Policy that would guide the new government. Inputs came from several sources: discussions among the social movements and FMLN<sup>7</sup> grassroots party members (through Open Social Dialogue Roundtables); the FMLN's election platform 'Hope is Born, Change is Coming'; the Citizens' Alliance against Privatization of Health; and the FMLN's Health Task Force.

After being elected, the new president, Mauricio Funes, called on the country and the international community to form 'a grand nationwide alliance around the issue of health, an alliance capable of achieving real change that benefits everyone, especially the most vulnerable' (Rodríguez et al. 2009: 5).

President Funes pledged his political will and committed to raising the necessary resources to build a national health system. Based on the recognition of health as a public good and a fundamental human right that must be guaranteed by the state, the new system would assume the task of the collective, democratic and participatory development of health. The system's programmatic underpinnings would include a human rights approach; inter-sectoral work to address the social determinants of health; development of

an equitable, efficient, fair and universal national health system funded by general revenues; and the integration, complementarity and development of sub-regional and regional health policies (ibid.).

Building a system with these characteristics posed a historic challenge for the health sector. Alongside the new system, a broad, militant, organized community would need to be strengthened to enable the people to fully exercise their right to health and to carry out their role of monitoring government policies.

Thus, the policy goal is to: ‘Guarantee the right to health of all Salvadoreans through a National Health System that steadily strengthens its public segments (including social security) and effectively regulates its private segments, and provides access to health promotion, prevention, care, and rehabilitation, and a healthy, safe environment, including (but not limited to) the creation and maintenance of an efficient health care system, with high problem-solving capacity and equitable access to quality services for all’ (ibid.).

To operationalize this goal, eight fundamental core areas of action were designed, to be implemented during the five-year term of office of the ‘Government of Change’:

- A comprehensive, integrated health services network, based on universal coverage and comprehensive provision of promotion, prevention, treatment and rehabilitation services throughout the life course, and definition of a set of uniform services for each level of care.
- A National Medical Emergency System, to provide timely, effective, round-the-clock care, along with the creation of a Control Centre coordinating with the national civilian police and the armed forces, and including specialized agencies and the community, to overcome the current fragmentation and poor quality of emergency medical services.
- Drugs and vaccines: guarantee the accessibility of essential drugs and vaccines with the necessary quality, safety and efficacy, promoting their rational use, removing conflicts of interest, and strengthening a single pharmaceutical regulatory authority.
- Inter- and intra-sectoral work, including work with institutions from non-health sectors, to discuss and address determinants of health problems and inequities among population groups.
- National Health Forums: a permanent venue for organizing local communities and different sectors to participate in and give their support to democratic decisions regarding health.
- National Institute of Health: a technical scientific organization under the Ministry of Health, responsible for developing and promoting institutional research policies.
- Unified Health Information System: an information system to systematize and analyse data to facilitate informed decision-making at all levels of the national health system.

- Human Resources for Health (HRH): creation of an HRH Development Unit to promote actions and strategies aimed at effective and productive work, with conviction, capacity, motivation and commitment to the reform process.

### The reform process

The importance accorded by the government to health reform is reflected in increases in budgetary allocations – more than 70 per cent for primary care and more than 50 per cent for the hospital network between 2008 and 2013 (MINSAL 2013a).

The first measure taken by the current administration was to abolish every type of fee in the public system, to do away with the appalling cost recovery programme that used so-called ‘voluntary fees’, which in reality were mandatory. These fees were charged to people seeking services in the public system and constituted a barrier to access to health services. Abolition of the fees spurred a 25 per cent increase in demand for services across the country in one year, from 2009 to 2010 (Menjival 2012).

This was followed, in 2010, by the roll-out of Community Health Teams (*Equipos Comunitarios de Salud* or Ecos) in the country’s poorest 125 municipalities, charged with bringing primary-care services to these traditionally excluded areas (MINSAL 2011b).

At the same time, the country undertook the largest infrastructure and equipment project for the health services network in its history, with a total investment of over US\$228 million. The number of primary-care facilities was



**Image E2.2** Popular support for the Medicines Act (Boris Flores)

doubled with US\$38 million of this money, and another US\$190 million was spent on the hospital network (MINSAL 2013b).

Created in May 2010, the National Health Forum steadily grew and gained expertise.<sup>8</sup> Inter-sectoral work made headway in identifying and addressing social determinants of health (MINSAL 2013a). An especially difficult task that was accomplished was the setting up of a legal framework to regulate the pharmaceutical sector, the private sector and human resources.<sup>9</sup> Over forty information systems were merged into one unified system in a Linux-based platform, the SUIS (*Sistema Único de Información en Salud*).<sup>10</sup> It has become the backbone of an extensive information and monitoring system (*ibid.*).

In the face of open hostility from the pharmaceutical industry, the Medicines Act was passed. The Act ensures a unified regulatory system and has removed pharmaceutical manufacturers from the regulatory board. It has also instituted a price regulation system and quality control mechanisms.<sup>11</sup>

### Evidence of success

The breadth and depth of these changes have impacted institutional indicators, reflecting the recovery of the public system and its reorientation towards a rights-based approach and towards comprehensive primary healthcare (not as a level of care, but rather in the original spirit of Alma Ata). In brief, indicators of success include:

- El Salvador has met the target for MDG 5 on maternal mortality (Orellana 2012).
- The private-to-public spending ratio moved from 50 per cent private and 50 per cent public in 2004, to 37 per cent private and 63 per cent public in 2012 (MINSAL 2013a).
- Price reductions of up to 60 per cent for drugs are expected to further bring down household out-of-pocket spending on healthcare.
- Prenatal care coverage is up to 90 per cent and institutional delivery coverage is up to 95 per cent (PAHO and MINSAL 2013).
- Hospital beds increased from 0.7/1,000 population in 2009 to 1.14/1,000 in 2013 (*ibid.*).
- Institutional child and infant mortality dropped by 20 per cent between 2007 and 2012, owing to improvements to the hospital network and to teamwork across all levels of care (MINSAL 2013a).
- Drug shortages in the public network were reduced from 60 to 20 per cent between 2008 and 2013 (Secretaria de Comunicaciones 2013).
- For the most part, the inequitable distribution of human resources in service facilities was resolved, and municipalities in poorer locations were allocated additional human resources (PAHO and MINSAL 2013).

Moreover, El Salvador was in the forefront in the Americas in the control of dengue fever outbreaks (with the lowest case fatality rate in the Americas),

influenza A (H1N1), socio-natural disasters related to climate change, etc. (MINSAL 2013a; MINSAL 2011a; MSPAS 2010c). This was accomplished by developing and implementing innovative methods, including school-based screening, tiered alerts, intensive mass training of human resources on important topics, and much more.

### Obstacles and constraints

Every attempt to regulate an area of the private sector was met with resistance. The Medicines Act led to a tussle with the pharmaceutical industry; the Breastfeeding Policy was opposed by marketers of breast-milk substitutes; regulation of toxic agrochemicals was opposed by agribusiness; the Sexual and Reproductive Health policy met resistance from ultra-conservative religious groups; modernization of the public hospital network was resisted by the powerful medical-industrial complex; regulation of groundwater contamination from heavy metals was opposed by the mining industry; and the list goes on.

Despite this, the main challenge for the next government will be the sustainability and expansion of the reform process. This will involve a sweeping reorganization of the fragmented legal framework and far-reaching fiscal reforms to broaden the tax base and substantially reduce tax avoidance, tax evasion and corruption. The goal is to obtain the resources necessary for the sustainability of the health reforms and other social programmes implemented by the 'Government of Change', including educational reforms and other programmes linked to implementation of a universal social safety net.

El Salvador has embarked on a challenging process to ensure the irreversibility of the achievements made thus far and to intensify the health reform process. The alternative would be a return to the exclusionary past of only five years back. The left once again won the presidency in March 2014, but this time by a razor-thin margin. Health was a major issue in the elections. El Salvador continues to be a battleground for emerging economic and political clashes reminiscent of the Cold War.

### Notes

1 Alfredo Cristiani, 1989–94, Armando Calderon Sol, 1994–99, Francisco Flores Perez, 1999–2004, and Antonio Saca, 2004–09.

2 For more information, see Velásquez Carrillo (2011).

3 On the impact of the Cuban revolution on politics in the Americas, see Wright (2001).

4 For more on the Soccer War, see Anderson (1981).

5 For more information on migration from El Salvador, see Migration Policy Institute at [www.migrationpolicy.org/](http://www.migrationpolicy.org/). See also Gammage (2007).

6 See Blandino (2000).

7 Frente Farabundo Martí para la Liberación Nacional, the recently elected left-wing political party.

8 See 'Building social participation in health', [www.phmovement.org/es/node/2914](http://www.phmovement.org/es/node/2914).

9 See 'La eficacia de la ayuda: progreso y statu quo de la apropiación democrática y la participación significativa de la sociedad civil en el sector de la salud', [www.actionforglobal-health.eu/](http://www.actionforglobal-health.eu/), and Posada (2013).

10 See [suis.salud.gob.sv/](http://suis.salud.gob.sv/).

11 For more information on the controversies, see BBC Mundo (2013), MINSAL (n.d.), Diario de Hoy (2010) and MINSAL (2011b).

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