Health Economics, Policy and Law (2009), **4:** 513–514
© Cambridge University Press 2009 doi:10.1017/S174413310999020X

Reply

Response to Hunter, Dixon and Saltman

JULIAN LE GRAND*
Richard Titmuss Professor of Social Policy, Department of Social Policy, London School of Economics, UK

Each of these respondents has raised a number of interesting issues, to which it is impossible to do justice in the space I have here. But here are a few brief comments.

Jennifer Dixon draws attention to what she considers to be an absence of evidence to support competition and choice. But, rightly, she also directs this criticism at the advocates of the other models of public service delivery, especially the model based on trust, where the quality of the delivery depends on the good-will or 'knightliness' of the providers. In fact I believe this trust model is more vulnerable to that charge than models involving choice and competition. This is particularly relevant when we consider some of David Hunter's points. Hunter does little to address the central arguments that, generally, competition and choice will promote quality, efficiency, equity and responsiveness better than the alternative models for public services, preferring to rely upon quotes from other authors that the ideas themselves are 'zombies' and that only 'dunces' would believe such arguments. He does put forward an alternative model himself – 'co-production' – but we only get one paragraph on it. This looks as though it is based on trust of some kind, but it is difficult to tell since we are given so little detail. We need to know exactly how this model would be different from the other non-choice models and, more specifically, how it would avoid the pitfalls of waste, inefficiency and middle class privileging that accompany them.

In fact, there *is* some evidence from abroad on the impact of choice and competition on quality, efficiency and costs (Le Grand, 2007, Chapter 4). Moreover, there is growing evidence from the UK on the performance of different models, including a new study from the University of York that shows that English NHS productivity has improved since choice and competition were rolled out (Street and Ward, 2009), and recent studies showing that the trust-based models of Scotland and Wales are failing to deliver the goods when compared with some of the models employed in England (Propper *et al.*, 2008, Bevan and Hamblin, 2008).

*Correspondence to: Julian Le Grand. Department of Social Policy, London School of Economics, Houghton Street, London WC2A 2AE, UK. Email: j.legrand@lse.ac.uk

https://doi.org/10.1017/S174413310999020X Published online by Cambridge University Press

With respect to the idea that the introduction of the choice and competition model may worsen equity – an idea that both Dixon and Hunter put forward – another new study shows that equity with respect to waiting times has substantially improved in recent years, with the poor now waiting no longer than the rich and indeed in some cases even less (Cooper *et al.*, forthcoming). While this cannot be unambiguously attributed to the introduction of the choice and competition model, at the very least it demonstrates that this model does not make things worse.

This focus on evidence is relevant to Richard Saltman's comments pointing to the non-ideological nature of the differences between those who discuss different models of health care delivery in Europe. As he says, this is a change from previous discussions of the issues concerned – and a very welcome one. The debate is no longer a highly charged, moralistic battle between public sector and market fundamentalists. Rather, it is now an informed discussion, based on theory and on such evidence as exists, as to which of the several ways of delivering health services produces the best – or perhaps the least-worst – outcomes. Is it too optimistic to hope that there will be a similar shift in the debates over health care reform in the United States?

References

Bevan, G. and Hamblin, R. (2008), 'Hitting and missing targets by ambulance services for emergency calls: effects of different systems of performance measurement within the UK' *Journal of the Royal Statistical Society Series A*, **172**(1): 161–190.

Cooper, Z., A. McGuire, S. Jones and J. Le Grand (forthcoming), 'Equity, waiting times and the NHS reforms' *British Medical Journal*.

Le Grand, J. (2007), *The Other Invisible Hand*. Princeton and Oxford: Princeton University Press.

Propper, C., M. Sutton, C. Whitnall and F. Windmeijer (2008), 'Did 'targets and terror' reduce waiting times in England for hospital care?' *The B.E. Journal of Economic Analysis & Policy*: Vol. 8 : Iss. 2 (Contributions), Article 5. Available at: http://www.bepress.com/bejeap/vol8/iss2/art5

Street, A. and P. Ward (2009), *NHS input and productivity growth 2003/4 – 2007/8*. CHE Research Paper 47. Centre for Health Economics: University of York.

https://doi.org/10.1017/S174413310999020X Published online by Cambridge University Press