



Spending on health care by the UK and EU as a percentage of GDP (unweighted and weighted for GDP). Data from OECD¹⁵

include this in the figures provided to OECD, although Germany, with the highest share of GDP spent on health care, certainly does. However, the UK figures for the OECD exclude nursing home care, which amounted to 0.4% of GDP in 1997. Including nursing home care in the UK figures would mean that the average spending by the other 14 EU members of 9.1% of GDP could be achieved with a real growth rate of 7.7% a year in NHS funding (table 2).

Is the EU average a sensible target?

Without additional funds, the NHS will struggle to meet the government's ambitious agenda for a more effective and consumer responsive, "modernised" health service. Deciding how much to spend on the NHS is rightly a political decision about how to allocate national resources given all competing claims. Even spending 8% of GDP means that other areas of public expenditure will have to make do with a smaller share of the nation's resources or that taxes must rise.¹⁷ As a political target, aiming for the average EU rate of expenditure makes sense given the observed strong and positive correlation between GDP and spending on health care¹⁸ and the fact that the UK is at the average EU level of income per head. How this extra money is to be spent to bring clear benefits to the public should be the subject of analysis and debate that is informed by an understanding both of the estimated benefits and costs of additional programmes and of the size of current inefficiencies that could be removed.

Conclusions

Additional spending on the NHS could be put to good use. The prime minister's plan for a major increase in NHS funding represents the most important policy statement about the health service since Mrs Thatcher's announcement in January 1988 (also during a television interview) of a full scale review. However, Mr Blair's spending target of 8% of GDP is less than that currently being spent on health care in the EU, and, even if it were the EU average, a 5% real annual growth in NHS funding would be insufficient to achieve it by 2006. To achieve the level of spending in the rest of the EU, the UK would have to put 9.1% of its GDP into health care, not 8%, and this would require real increases in NHS expenditure of 7.7-8.7% a year for the period 2001-6.

Competing interests: The Office of Health Economics is supported financially by the Association of the British Pharmaceutical Industry.

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Ambidextrous

Dr T A Roper's personal view (*BMJ* 1999;319:1509) again made me grateful to my doctor father. When he realised that I was left handed he encouraged me to use both hands equally with such tools and instruments as could be used in either hand.

This facility proved of great assistance in later life. As an example I was assisting my chief to perform a tedious deep pelvic dissection. He was a rather taciturn individual who discouraged chatter in the theatre. The sister, however, was exempt from this restriction and on seeing me absently use first my left and then my right hand to cut sutures exclaimed, "Oh, I didn't know that Dr Fergusson was ambidexterous." To which the great man

growled, "Yes, he's equally useless with both hands." Such was the esteem in which junior staff were held 50 years ago.

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