

apparatchiks, ruthless drug traffickers, scheming palace politicians, and messianic guerrillas who have sprung up like poisonous mushrooms.” Mexico’s big cities are also being “overwhelmed by crime.” Some 1.5 million crimes were reported nationwide in 1997, but only 150,000 arrest warrants were issued. Police corruption is rife.

“As the capital sinks beneath a wave of crime, the provinces smolder, and drug lords send corruption creeping through the establishment,” Baer writes, “Mexico’s rulers seem more interested in fighting one another than their common enemies. For the country to survive as a democracy, this will have to change—and soon.”

Health Care Heaven?

“Health Care in Canada: Incrementalism under Fiscal Duress” by C. David Naylor, in *Health Affairs* (May–June 1999), 7500 Old Georgetown Rd., Ste. 600, Bethesda, Md. 20814–6133.

Canadians have long taken great pride in their publicly funded health care system, which provides high-quality treatment to all citizens, regardless of wealth or income, while still keeping costs under control. In recent years, however, Canadians’ confidence in their cherished “Medicare” system has been badly shaken, reports Naylor, a professor in the Department of Medicine at the University of Toronto.

As successive governments in Ottawa have struggled with budget deficits and a massive national debt, federal support to the 10 provinces and two northern territories, which administer the health care system, has been steadily reduced. As a proportion of provincial health expenditures, direct cash transfers from Ottawa fell from 30.6 percent in 1980 to 21.5 percent in 1996 (and to even lower levels in richer provinces). The provinces, meanwhile, had their own fiscal problems. As a result, Naylor says, provinces have massively reduced inpatient hospital care, with fewer admissions and shorter stays. Between 1986 and 1994, despite the growth and aging of the population, use of costly hospital beds for short-term care decreased by 27 percent. Nine out of 10 provinces (with Ontario, the largest, the conspicuous exception) moved to consolidate hospitals under regional authorities. In Ontario, a commission appointed by the government in 1996 ordered 40 out of 139 hospitals to close or merge.

“Three decades of centrally capped budgets and a decade of unprecedented constraints have wrung much of the fat out of Canada’s hospital systems,” Naylor writes. But the cutbacks have also sapped Canadians’ confidence, with only about 40 percent in 1996 rating the health care system

“excellent” or “very good,” compared with some 60 percent five years before. About 25 percent judge it “fair” or “poor.”

In a 1998 survey, 46 percent of Canadians said the recent changes had harmed the quality of care. That perception may not be accurate, however. So far, studies have turned up little hard evidence to support it, Naylor says. One study, for instance, found “that despite downsizing of the Manitoba hospital sector, surgery volumes rose dramatically, utilization fell least for patients who were particularly sick or poor, and short-term mortality outcomes for a set of tracer conditions were improving.” A 1996 poll in Ontario showed much dissatisfaction with waiting times for cardiac and other types of specialized surgery. Yet fewer than one in 250 patients die while awaiting coronary artery bypass graft surgery in Ontario—“a death rate lower than expected for cardiac patients in general,” Naylor says. When the waiting lists for that surgery have grown too long, as happened in 1990 and 1997, the Ontario ministry of health has expanded surgical capacity and quickly shortened the waiting lines.

Canada’s budget woes have started to ease, which is good news for Medicare. Its single-payer system will emerge usefully streamlined, Naylor says. Nevertheless, debate over the ban on private insurance for publicly insured medical services has been rekindled, and many Canadians, including some policy-makers, “pine for greater stability in health care.” The best way to achieve it, in Naylor’s view, is by piecemeal reforms. Despite their recent loss of enthusiasm, he says, Canadians are not about to jettison their distinctive approach to health care.