
Book reviews

Evaluating the NHS Reforms. Edited by Ray Robinson and Julian Le Grand. London: King's Fund Institute. 1994. Pp 288. £10.00.
Health Care UK 1993–4. London: King's Fund Institute. 1994. Pp 117. £22.00. Available from Policy Journals, The Old Vicarage, Hermitage, Newbury, Berks RG16 9SU.

One of the most extraordinary aspects of the 'reform' of the NHS has been the specific exclusion of any officially supported research into its process or consequences. The claimed measures of its effects, such as total throughput of patients or waiting lists, would have a very uncertain relationship to the changes – even if the data were reliable, which they are not (Radical Statistics Health Group, 1995). Any genuine research has therefore been left to independent bodies, particularly the King's Fund Institute. The recently reissued *Evaluating the NHS Reforms* was originally published in 1993, and is probably the most systematic series of studies on the subject so far available. The ten chapters, by different authors, came to very varying conclusions, but can give little reassurance about the future of the NHS.

Using a highly complex economic model to study 'competition' in the West Midlands, Appleby *et al* reveal mainly the irrelevance of economic theory to situations in which the output is simply unmeasurable in money terms. In the first two years, even the NHS Management Executive has admitted, any observed changes were largely due to increased funding. The Hirschmann-Herfindahl Index (which must surely have come out of 'Pseuds' Corner) therefore tells us nothing useful, except that mathematical sophistication is no substitute for an understanding of health care. Glennester *et al's* study of fundholding practices arrives at some upbeat conclusions, but the fact that these practices' growth rate for pharmaceutical expenditure was lower than that of other practices gives no indication whether patients were better or worse off as a result. If practices should gain control of the whole of their funds, they would clearly have a strong motivation to part company with that 5% of patients who account for 68% of the total

expenditure, as HMOs do in the United States. There are some suggestions here to stop such practices from laughing all the way to the bank, but they are not very reassuring. This study avoids the most critical issue about fundholding – that the more practices go into it, the more difficult it will be to produce 'advantages' from the system – though acknowledging that as long as any other purchasers (such as DHAs/FHSAs) are in the field, their interests will inevitably conflict with those of fundholding GPs. Most psychiatrists are already well aware of the unfortunate effects of this system for the mentally ill.

The study of effects on equity or fairness by Margaret Whitehead comes to very difficult conclusions from some of the more technical reports, since the ethical basis of the NHS seems to have been sacrificed in the interests of a nebulous 'efficiency'. The new system has an incompatible relationship with social services over the responsibility for chronic, high-dependency patients under current community care policies. Le Grand's conclusion is that "there is potential for real gain from the reforms", but this does not emerge very strongly from the material of the book.

The Fund's review of health policy for 1993–4 covers similar ground, though mainly with different authors – markets, community care, fundholding, accountability, and the future of hospitals are some of the main topics. On the 'internal market', Boyle & Dorkins conclude that "it is unlikely that a viable . . . solution will operate. At two extremes lie an unfettered market dominated by private supply and a planned system of provision. A halfway house may produce the worst of both worlds". Those are the rocks to which the NHS now seems to be heading.

Reference

RADICAL STATISTICS HEALTH GROUP (1995) NHS "indicators of success": what do they tell us? *BMJ*, **310**, 1045–1050.

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