

## **SITUATION ANALYSIS IN THE REGION**

### ***ECONOMIC AND SOCIAL TRENDS***

15. Over the past decade, the Region of the Americas has witnessed a series of economic, social, and demographic changes with a potential impact on health.

16. After years of stagnation, economic growth resumed; today, nearly one-third of the countries exceed a growth rate of 6%. Per capita gross national income (GNI)<sup>1</sup> in the Region in 2004 put it among the regions with the highest income in the world. While the average income in Latin America and the Caribbean (LAC) is US\$7,811, in some of its subregions—notably the Latin Caribbean, Andean Area, and Central America—the values are 20, 40, and 65% lower, respectively. The GNI of the richest countries is up to 23 times that of the poorest countries. The economic crises had a serious impact in 2002, especially in Argentina, Uruguay, and Venezuela, a situation that turned around in the majority of the countries by 2005. Notwithstanding the economic growth, the inequality in income distribution has increased. Income distribution in the Region (measured by the Gini coefficient) is one of the most unequal in the world and did not improve between 1990 (Gini of 0.383) and 2002 (Gini of 0.403). Inequalities result in poverty and their intensity is manifested in different segments of the population, such as households headed by women, certain ethnic groups, or rural populations. An estimated 41% of the population in LAC is poor and 17% is indigent.

17. Economic improvement brought with it improvements in labor market conditions, helping to mitigate the difficult social situation in LAC. Even so, urban unemployment held at nearly 10% between 2001 and 2004.<sup>2</sup> However, in 2004 it ranged among countries from a low of 2.0% to a high of 18.4%. Although more women are employed, their conditions of employment and opportunities for growth are inferior to those of men. Despite the existence of regulations, child labor is a concern, particularly given the unsafe, risky conditions in which it occurs.

18. Natural and man-made disasters have had a devastating impact on countries' economies. In 2005 alone, hurricanes were responsible for more than US\$ 205 billion in losses, with 7 million people affected.<sup>3</sup> Damages in the small countries and economies of Central America and the Caribbean were estimated at more than US\$ 2.22 billion, revealing their vulnerability and the need for prevention and mitigation plans and measures.

19. Population growth has slowed, although it ranges from 0.4% in the English speaking Caribbean to 2.1% in Central America. Unequal socioeconomic development drives people to move to urban areas in search of jobs and a better life. Thus, the urban proportion of the population in LAC grew from 65 to 78% between 1980 and 2005, with a lesser rate in Central America (53.2%) and the Spanish speaking Caribbean and Haiti (59.7%). Urbanization poses challenges for health in terms of the availability of resources and basic services, waste and refuse management, transportation, and violence prevention. Rural areas suffer from the ongoing problems of poverty, limited resources, and lack of access to health services. Factors such as the chaotic growth of cities, indiscriminate industrial development, and migration from rural to urban areas adversely impact the environment, health, and quality of life of the population, contributing to marginalization—characterized by makeshift housing, poverty, environmental pollution, and

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<sup>1</sup> Pan American Health Organization (PAHO). Health Situation in the Americas: Basic Indicators 2006. Washington, D.C.: PAHO, 2006

<sup>2</sup> Economic Commission for Latin America and the Caribbean (ECLAC). Social Panorama of Latin America 2005. Statistical Annex. ECLAC: Santiago, 2006.

<sup>3</sup> Economic Commission for Latin America and the Caribbean (ECLAC). Preliminary overview of the Economies of Latin America and the Caribbean. ECLAC: Santiago de Chile, 2005.

higher levels of disease and violence. Makeshift housing in urban areas increased by 14% between 1990 and 2001, affecting 127 million people. In response to this trend, efforts have been made to address health determinants factors by creating healthy and sustainable public policies, healthy spaces, and public-private partnerships; strengthening support networks; mobilizing the media; and encouraging action by local governments in health promotion and development.

### ***TRENDS IN HEALTH PROBLEMS AND RISK FACTORS***

20. Thanks to improvements in living conditions, including access to water and sanitation and to primary maternal and child health care, average life expectancy in the countries of the Region increased to 74.6 years in 2005. Consequently, the population is aging, demanding new services while manifesting greater economic dependency. Other important changes are related to environmental degradation and pollution, new lifestyles and behaviors, information dissemination, and the erosion of social and support structures in the population, which contribute to risk factors such as obesity, hypertension, an increase in accidents and violence, problems related to smoking, alcoholism, drug abuse, and exposure to chemical substances.

21. The Region's morbidity and mortality profile is changing, with communicable diseases replaced by chronic diseases as the leading causes, a phenomenon attributable to advances in technology and the aging of the population. Communicable diseases are still a major cause of mortality, with 58 deaths per 100,000 populations in 2000–2004,<sup>4</sup> and they are a heavy burden in poorer countries: for example, in Haiti the incidence of tuberculosis (TB) is seven times that of the Region. Added to this are challenges such as TB/HIV co-infection and multi- and extreme resistance to TB drugs. In 2006, 50% of dengue cases occurred in Brazil,<sup>5</sup> while malaria is endemic in 21 countries. Neglected<sup>6</sup> diseases cause anemia, malnutrition, memory loss and lower IQ, stigma and discrimination, permanent disability, and premature death. Several of these diseases often go hand in hand, multiplying their impact on health and the social and economic conditions of individuals and populations. The threat posed by potentially epidemic and pandemic diseases such as pandemic influenza is a challenge, since maintaining governments' commitment to address a problem that has not yet materialized is a complex undertaking.

22. Sixty percent of diseases affecting humans over the last ten years were caused by pathogens that originated in animals or their products, so prevention and control is needed. Human rabies transmitted by dogs decreased by 95% in the last 25 years of active control programs; however, for other zoonoses few actions have been implemented. Eradication of foot-and-mouth disease is important for food security and socioeconomic development; the Region is moving toward this goal. Travel and trade allow dissemination of infectious agents from their natural foci. Food safety is another public health and economic issue. Modernization of inspection services, strengthening of reference services, harmonization of legislation and *Codex Alimentarius* support, are in place to address food safety.

23. Chronic diseases (CD) are major causes of death and disability in the Region, responsible for over 60% of all deaths and most health care costs. Their causes are hypertension, obesity, hyperglycaemia and hyperlipidemia, caused by lifestyle and behavioral actors. Trends forecast a two-fold or more increase of ischemic heart disease, stroke and diabetes in LAC; mortality from lung, breast and prostate cancers is also increasing. Chronic diseases affect men and women

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<sup>4</sup> Health Situation in the Americas. Basic Indicators. Pan American Health Organization/World Health Organization. 2006

<sup>5</sup> 2006: Number of Reported Cases of Dengue and Dengue Hemorrhagic Fever (DHF), Region of the Americas (by country and subregion)

<sup>6</sup> PAHO Regional Program on Parasitic and Neglected Diseases

differently; racial/ethnic minority groups and the poor are more likely to be affected. Annual costs of CD are enormous; for diabetes, the estimated was US\$65 billion for LAC in 2000.

24. In 2006, over 50 million people in LAC were 60 years or older, a group growing 2.5 times faster than the overall population. Studies show that more than 50% of this elderly group report poor health, 20% report limitations on daily living activities, and 60% have a serious CD. Their access to health services is also limited and more than 30% report that their health needs are unmet. In contrast, few LAC countries have health promotion goals for the elders. Shifts in funding can provide large impacts, since cost-effective solutions exist, from promotion to prevention and disease management, but stakeholders from different sectors need to be sensitized.

25. Smoking prevalence in the Americas varies, but exposure to second-hand smoke is both universal and high in most countries. The response has been the Framework Convention on Tobacco Control (FCTC), ratified by 60% of the countries. There has been progress in recent years, notably the major advances in Brazil and Uruguay and parts of the United States, Canada, and Argentina. The future poses challenges to implementing the measures contained in the FCTC: strong health warnings on the packaging of tobacco products; the creation of smoke-free environments; and a wide ban on the advertising, endorsement, and sponsorship of tobacco products. It should be noted that the tobacco industry successfully lobbies for weak legislation.

26. In LAC, comprehensive and integrated actions are needed to achieve the health-related Millennium Development Goals (MDG) by 2015, particularly among vulnerable groups. Where governments and social systems fail to reach, families and communities often perform strategic health functions, and are a source of support and protection to the health and well-being of citizens. Such local mechanisms need to be empowered, supported and strengthened. MDGs 1, 4, 5 and 6 call for reducing the prevalence of underweight children, the under-5 mortality rate and maternal mortality ratio; and halting and reversing the spread of HIV/AIDS.

27. In LAC, poor nutrition, the underlying cause in 42% to 57% of child deaths, exacerbates the impact of illnesses. Stunting and anemia are the most prevalent problems affecting growth and nutrition with 25% and 70% of infants and young children affected, respectively. At the same time, overweight and obesity affect 25% of children in some countries.

28. In 2005, the under-5 child mortality rate in LAC meant that 450,000 children died. One third of countries had rates of 30 per 1,000 live births; these countries accounted for 60% of deaths, with perinatal and infectious diseases accounting for more than 60% and 25% of them, respectively. Half of the mortality reduction between 1990 and 2000 is attributed to childhood immunization; thus, use of new vaccines may expand gains, but vaccination coverage needs to be maintained. The lifetime maternal mortality risk of 1 in 160 translates into 22,000 annual deaths, 10 to 50% of them occurring among young women. Young women under the age of 20 are estimated to account for 20 out of every 100 births in the region with 34% being unplanned. Fertility rates among adolescents are greater than 100 per 1000 live births in Honduras, Nicaragua, Guatemala, El Salvador, and the Dominican Republic. Most of maternal mortality results from preventable causes, but in some countries essential obstetric and neonatal services are of poor quality or not in place, or are under-used because of access barriers or a lack of skilled personnel. Notable urban-rural disparities exist: fewer rural women attend 4 or more antenatal consultations and large proportions do not have access to skilled birth care.

29. Adult HIV prevalence shows that the epidemic is concentrated in North America (0.8 %) and Latin America (0.5%) and generalized in the Caribbean (1.2%), where it is the leading cause of death among young adults. In the Region, 1.6% of women and 0.7% of men between the ages of 15 and 24 are infected with HIV. In 2006 in LAC, 167,000 new HIV infections occurred and

84,000 people died of AIDS, with more women affected. Affected people continue to live in environments of stigma and discrimination.

30. Mental illness imposes a high health burden in the Americas. In 2002 it accounted for an estimated 25% of the total disability-adjusted life years lost to all diseases, with unipolar depression a significant component. Only a minority of people suffering from mental illness receive treatment, despite the impact of the problem. In 80% of the countries, the majority of beds are located in psychiatric—rather than general—hospitals and 25% of the countries have yet to provide community care. Nevertheless, mental health is on the countries' agendas; there are successful local and national experiences, user and family associations are emerging, and advocacy is growing. Cost-efficient interventions are possible, which can make the limited response satisfactory over time.

31. Traffic accidents are responsible for over 130,000 deaths and 1,200,000 injuries each year in the Americas. The leading causes are driving under the influence of alcohol, speeding, poor road and vehicle maintenance, and failure to use seat belts and helmets. Society is demanding that governments make this a priority issue and countries such as Chile, Costa Rica, Colombia, and Cuba have managed to reduce the mortality from this cause. Networks of individuals and organizations have sprung up to promote plans and programs, improve information systems, expand knowledge about the causes, and evaluate interventions.

32. Violence remains a critical problem for populations in some countries of the Region, notwithstanding the interest of governments and society to deal with it; laws are on the books, but their enforcement varies so widely that it is impossible to say that they have had a positive impact. Measuring and assessing the impact of legislation is a challenge, but mechanisms such as the observatories of violence and hospital emergencies will lead to better information. Homicides increased in some countries, with men under 35 the most affected group; in Colombia, however, they decreased by 50% between 2001 and 2005. Surveys put the prevalence of family violence at 10 to 60%. Juvenile gang violence spread in the Region, especially in El Salvador, Mexico, the United States, Honduras, Guatemala, Jamaica, Brazil, and Colombia. Efforts are needed to improve the sector's treatment of victims, including financing for plans and programs.

33. Toxic chemical exposure is a serious public health problem in the Region. The use of chemicals in different phases of industrial and agricultural production processes puts the entire population at permanent risk, especially vulnerable groups such as children, pregnant women, workers, older adults, and the population with limited education and access to information about the toxicity of certain products. The volume of these substances has increased, and per capita exposure to some of them, such as pesticides, is three times higher than the global average per WHO. Although it is improving, the reporting of morbidity and mortality from acute and chronic poisoning does not reflect the magnitude of the problem. Efforts should be centered on: toxicosurveillance; strengthening of legislation, rigor in the registration of chemicals, the prevention of illegal trafficking in toxic and hazardous substances; civil society participation in chemical surveillance and control mechanisms; the adoption of chemical safety as part of sustainable development policies; and expanding alternatives to pesticides, such as integrated pest management and organic agriculture.

34. In 2004, the economically active population was estimated at 414 million workers, or 46% of the Region's population—a 13% increase over the year 2000. According to WHO (2005), 60% of workers are exposed to hazardous and unhealthy working conditions that entail a variety of risks that impact health. It is estimated that accidents in the workplace, 8% of global accidents, result in 312,000 deaths and 10 million disability-adjusted years of life lost. Activities such as agriculture, construction, and mining are the most dangerous. Informal employment is associated

with greater occupational risk and unstable working conditions with no legal protection, compensation, or health benefits; women, children, and older adults are the least protected groups working in this sector.

### ***TRENDS IN THE HEALTH SYSTEM RESPONSE***

35. Public health expenditure is a basic public policy instrument for improving health status, reducing inequalities in the population's access to health services, and protecting people from the adverse effects of disease. Public health expenditure as a percentage of GDP in LAC rose from 2.6% in the 1980s to 3.6% in 2005-2006, below the figures of 7.3 to 8.6% respectively in developed countries; it ranges from 1.3% in poor countries to 4.5% in those with high levels of public health service coverage, and from 7.5% to 10% in countries with health systems that provide universal coverage. Part of the growth of public expenditure in health has been for insurance systems, but with modest gains in coverage. Public expenditures in health through social health insurance schemes increased in real terms; in constant dollars of the year 2000, from US\$ 14.7 billion in 1990 to 27.7 billion in 2004-05. Average expenditure per (potential) beneficiary of social health insurance programs increased from US\$ 129 in 1990 to US\$ 209 in 2004-05 (in constant dollars of the year 2000). The total population covered under social health insurance schemes increased from 114.7 million people in 1990 to 132.7 million in 2004-5; however, as percentage of the total population, the potential beneficiaries of social health insurance schemes declined from 26% in 1990 to 24% in 2004-05. Critical measures for improving health status and reducing inequalities in access to health services include: greater public expenditure on health, public health, and health care; improvements in the distributive impact of that expenditure; and an expansion of the coverage of public health insurance and social protection programs.

36. Health systems are based on the availability and competency of personnel who offer accessible, quality services. Numerous studies and the World Health Report 2006 of WHO indicate the need for an optimal number and quality of health workers to meet public health targets. To ensure that available competencies meet health needs a medium-term effort must be planned to address the following challenges: long-term policies and plans to adapt the workforce to anticipated changes in health systems and to develop the institutional capacity to review them periodically; the right people in the right places, with the equitable distribution of health professionals in regions, based on the population's health needs; regulation of health worker migration to guarantee care for the population; working conditions that foster a commitment to the institutional mission of guaranteeing health services for the population; and mechanisms for interaction between training institutions and health services to adapt health workers' training to a model of universal, equitable, and quality care that serves the population.

37. There are inequalities in access to essential health technologies and services in the Region; an estimated 125 million people living in LAC do not have access to them. Many countries have inadequate and/or deteriorating physical infrastructures, lack of adequate specifications for purchasing new technologies, inappropriate organization of health services and insufficient qualified health personnel. As result, nonfunctioning technologies, under-used services, minimally trained staff, insufficient prevention policies, ineffective diagnostic and therapeutic protocols, and unsafe conditions for patients occur. For many technologies, it is critical to ensure that incorporation and use be done under legislation and supervision by regulatory authorities. National policies are needed to cover all aspects of health technologies and services, but will be successful only if supported by regulatory mechanisms. While the advantages of health technologies and services are many, they can represent an unnecessary cost if the quality provided and its management are unacceptable. For health care to have greatest impact, particularly where resources are limited, priority should be given to the selection, establishment

and procurement of essential health technologies and services. Control of health problems and achievement of health-related MDGs will rely on their correct use.

### ***OTHER CHALLENGES FOR THE FUTURE***

38. Addressing and monitoring health problems calls for timely, reliable, quality data and information. Health information in the Americas is far from optimal in terms of its coverage and quality.<sup>7</sup> The countries' vital statistics and health information systems have limitations when it comes to providing the evidence needed for decision-making. Current problems require decisions in health to be based on: reliable health information systems that generate timely quality information, disaggregated in various ways; data from the health sector as well as other sectors, including health determinants; and the use of analytical methodologies and efficient tools for information and knowledge generation. For this purpose, a strategy has been developed for monitoring the performance of health information systems, based on the guidelines of WHO/PAHO and the Health Metrics Network.

39. A fundamental strategic tool for monitoring inequalities, global changes such as the aging of the population, urbanization, and changes in the mortality structure, as well as agreements and commitments such as the MDGs, is a set of basic indicators for the regional, national, and sub-national level. Greater emphasis on data analysis and health information, the development of national and local capacities for application of the different methodological approaches, and adequate communication of health knowledge will result in higher quality data and greater use of health information, positively impacting the health systems and, thus, the health of populations.

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<sup>7</sup> Commission on Social Determinants of Health. Action on the social health determinants: learning from previous experiences. Geneva: WHO, 2005