

# ECONOMICS CAN NEVER REPLACE MORALS AND VALUES

Text by Dr Wong Chiang Yin

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I was the President of the SMA in 2007 when the Association had to withdraw its Guideline on Fees (GOF) so as not to contravene the Competition Act. We did so most reluctantly and amid much anguish.

Dr Yik Keng Yeong's letter dated 23 January 2018 to this Forum [the *Straits Times*] questioned why doctors' fees should be put under the spotlight of the Ministry of Health's Fee Benchmarks Advisory Committee, and wondered if this would undermine competitive forces and the free market economy.

The defining characteristics of an honourable profession include: a group of people who have undergone extensive education and training and hence possesses special knowledge and skills, and is recognised as such by the public; a profession that adheres to ethical standards and applies this knowledge and skills in the interest of others. The medical profession has all these defining characteristics and therefore, should not live by the bread of economics alone, lest the profession becomes a trade.

Competition and the free market are but means to an end. They are not ends in themselves. The ultimate end of any public policy is not adherence to the dogma of market fundamentalism but, based on experience and evidence, the creation of greater societal well-being over the long-term, such that all stakeholders can co-exist in a sustainable way. The stakeholders here being patients,

healthcare establishments, healthcare professionals, and insurance and managed care companies, among others.

In the last ten years without the SMA GOF, things have been "running amok". This cannot be good for stakeholders and Singapore.

There are limits to economic theory, free market or otherwise, especially when applied to healthcare. Prominent American health economist Victor Fuchs eloquently described the limits of applying economic theory to healthcare: "The questions are ultimately ones of value: What value do we put on saving a life? On reducing pain? On relieving anxiety? ... economics is the science of the means, not of ends... it can tell us the consequences of various alternatives, but it cannot make the choices for us. These limitations will be with us always, for economics can never replace morals or values."

A certain set of misguided values and beliefs was in play when the SMA GOF was outlawed in 2007, resulting in the miasma of the last ten years. The current initiative to have fee guidelines and benchmarks is but a return to the correct trajectory which we had enjoyed before. ♦

Dr Wong is a public health specialist. He has been in the SMA Council for more than 20 years and was the President of SMA from 2006 to 2009. His professional interests include hospital administration, health policy and regulation. He has been around long enough to know that very bad things can happen in healthcare as a result of good intentions.

