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Keynote Speech on Globalisation and the Challenge for European Healthcare IT

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Ladies and Gentleman,

They say the world is globalising. One may like this, or one may not. But it is clear that our world is fast becoming borderless – whether it is in terms of goods and services, innovation, travel and television, or even money. It may seem a bit of a cliché, but the current financial crisis spread like a pandemic – only because of the ‘borderlessness’ of the world. Indeed, it seems to have spread even faster than Swine Flu.

Today, as we are gathered here, few will argue that healthcare IT is driving healthcare to become borderless. But even fewer, it seems, are prepared to accept that some of us will have to pay a price for this.

Whether we call it a borderless world or a globalising world, one fact is clear: There is a challenge from the East. And this does not concern small countries like Singapore, South Korea or even Japan. The rise of their populations – 40 million here, 140 million there, or just a handful like Singapore – did not mean any zero sums for the rest of the world.

But when we speak of China and India, we are talking of two thousand six hundred million people – give or take a few hundred million. We are referring to more than one third of the world’s population.

Who will pay the price for their rise?

And then take a quick look how they complement each other: China the world’s factory, India its back-office, with both moving to new frontiers, every day.

Ladies and gentlemen, how many of us expected that almost 20 billion dollars of intelligent money – private equity and venture capital – has flowed into India and China since last October. And healthcare IT is no exception, accounting by one estimate for almost a billion dollars in such investment, over just the past 12 months.

Is this in spite of the financial crisis, or because of it? – I would argue that it is the latter.

Where intelligent money leads, dumber money follows: China and India are today also the world’s second and third largest recipients of foreign direct investment.

Again, healthcare, and healthcare IT, are no exceptions. Where, for example, is IBM piloting its Healthcare Superhighway? Where are the headquarters of its global healthcare SOA design and delivery teams? Where is GE building a 25 million dollar virtual hospital, to test-bed its new medical technology applications? No guesses: In India.

Indeed, John Dineen, the CEO of GE Healthcare says that the Indian lab is – let me quote – “the biggest engineering lab for GE Healthcare, and the first of its kind in the world today.” And if India is where new healthcare IT applications are designed and developed, where will the new

products be manufactured? No guesses: In China, of course.

I spoke moments ago about China and India being in second and third positions in the global foreign direct investment league. But, then, who is first? No mystery here. The United States. America, we must underline, is symbolised by the spirit of Captain Ahab, by The Great Gatsby. It has always proved ready to reinvent itself, whatever the price. It is doing so again, now.

And healthcare IT is still no exception.

The new American Recovery and Reinvestment Act, or ARRA, is one of the most ambitious commitments to healthcare IT – anywhere, anytime.

Through ARRA, President Obama plans to kick-start the US economy via massive, enabling investments in healthcare, and to jumpstart healthcare itself, by means of IT. This, Ladies and Gentlemen, is the policy equivalent of a positive-displacement supercharger.

The funds earmarked by Mr. Obama for healthcare IT are not insignificant - about 20 billion US dollars. Indeed, if Mr. Obama's plans work out, they could well do to healthcare IT what the Apollo programme did for space exploration, or the Manhattan Project for nuclear technology.

And where is Europe here? Aside from the sums committed to ARRA, there is another crucial factor which differentiates the US initiative from those like the EU's RTD Framework Programme. The Obama gameplan involves spawning, catalysing and growing a critical mass of users. This will both push and pull healthcare IT, and do so in the real world of here and now.

It does not concern itself with technology for technology's sake. In this respect, the US is headed towards launching the era of i-Health (for individual, personal e-health). Incidentally, this term, coined by one of my former colleagues, was featured as a cover story in one of our past issues.

But to return to where I was: Today, as the US revs up its healthcare IT engines, we in Europe must ensure that we do not get stranded in an island of demonstrations and pilots, ensnared by one-shot wonders, seduced by the policy equivalent of a one-night stand.

To me, it may be a good idea, an urgent one, for European leaders to give some thought to extending initiatives like the Framework Programme.

These have demonstrated cutting-edge concepts. In the realms of imagination, they are truly world class. As Clint Eastwood would say, they are legendary in our own minds.

But when it comes to the real world of use, of being promoted, publicised – and sold – of being known as 'global' healthcare IT solutions, we in Europe have a long way to go. And time is of the essence.

Between the breaking dawn of e-health and the high noon of i-Health, there is that iron law of the market: First come, first served.

This is because the US will develop masses of healthcare IT users, alongside healthcare IT protocols and standards – out of the labs of US companies like IBM and GE in India.

It will then manufacture them in China, ship them to Europe. These will be called global products, based on global standards. And we may have no choice but to lie down and wag our tails.

But should we? Don't we, here in Europe, also have world-class healthcare IT jewels, meticulously designed, painstakingly crafted and found to work in the real world? You know the answer. Yes, we do.

This is the simple explanation for why, Ladies and Gentlemen, we are here today: To see working examples of worldclass healthcare IT solutions, made in Europe.

Thank you.

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