

Abstract of PhD Thesis:

Narrating the Regulation: The Pharmaceutical Policy in the Czech Republic as an Example

Karel Čada

The tendency of doctors to overused medicines because of they do not take costs in consideration and the monopoly that pharmaceutical companies enjoy in the production of medicines under patent protection are both long-standing justification for pharmaceuticals public policy to reduce price of medicine (Bloom and Van Reenen, 1998). Pharmaceutical policies were introduced as a dynamic where one can apply all sources of modern social acceleration identified by German scholar Hartmut Rosa (2013). They are driven by economic motor, social-structure motor and cultural motor of acceleration of pace of life. Medicine has been becoming more and more specialized. It resulted in an increase in the numbers of diagnoses, of medical drugs prescribed and developed, and of medical specializations. Expectations of patients have been rising. However, expenditures have been rising as well. During the period up to 2009, all OECD countries saw health spending outpaced economic growth resulting in an increasing share of GDP allocated to health and increased spending on pharmaceuticals has significantly contributed to the overall rise in total health expenditure. What is the role of state regulation in this acceleration field?

In my thesis, the perspective of narrative dynamics was used to depict the managing conflicting values in the pharmaceutical regulation in transformation period. I argue that this type of change resulted from interplay between narratives of sustainability, codes and discourses. Narratives are the surface textual representation of action and events, while discourse is the underlying interpretative context for making sense of those surfaces. Regulatory codes represent a grammar how regulation narratives are put together. In the case of my analysis, the medicalization and austerity are the main underlying discourse.

I argue that all narratives described by Bhatia and Orsini (2013) as independent can be classified along two axis: (1) their relation to medicalization and (2) fiscal responsibility discourse. Drawing on Bhatia and Orsini (2013), I contextualized four health sustainability narratives: (1) value-for-money (austerity and medicalization); (2) fiscal (austerity without medicalization); (3) a moral choice (neither austerity nor medicalization); and (4) the new social contract (medicalization without austerity). The advantage of the value-for-money narrative lies in possibility to justify savings (in fiscal responsibility discourse) by medicalization discourse. To grasp a long-term dynamics, the dissertation uses cultural theory of regulation (Douglas 1992; Thompson, Ellis, and Wildavsky 1990; Lodge et al 2010; Lodge and Wegrich 2011) to classify, chart, and compare argumentation patterns and policy values. Cultural theory's four core-value system - hierarchy, individualism, egalitarianism, and fatalism - is used as an analyst's compass into a trajectory of frames that covers patterns of blame and proposed remedies.

The main conflicting line is between individual and hierarchical code of justification regulation while the egalitarian and fatalist approach played just a marginal role. The first put an emphasis on market-based solutions, patients as consumers, superior sled-regulation, individual responsibility and individual rationality. The second one was associated with capture and corruption, need for prudent regulator, expanding scope of regulation, strengthening of existing institution and the central role of government.

This game basically means a fight between the rules-based justifications and competition-based justifications. In the context of the Czech Republic, the first one was dominant during the right-wings governments and second one was articulated more in the leftist one. However, this trend cannot be attributed to right or left values only. For example, the right-wing Ministry of Health Jan Stransky used a hierarchical code in his argumentation. I argue that it might result from the cyclical management of conflicting values – between individual code used in progressive value-for-money narrative and hierarchical code used in stabilizing fiscal sustainability narrative.

Moreover, hierarchical code resonated much more with the public perception of health care. Health care is strongly considered by the Czech public to be a public good that should be covered by public funding. However, policy narratives are also dependent on discourses how public understood the role of democracy and the role of the government. In this case, the shift away from discourse of civic enthusiasms towards disaffected egalitarianism seemed to be crucial one. Disaffected egalitarianism represents disillusion, which is seen as a democracy in name only, that masks growing social inequality, as well as hierarchy, corruption and bureaucracy. This discourse supported by increasing dissatisfaction of the Czech citizens with politics made the political untrustworthy and gave a raise to private capture narratives in hierarchical sense.