Chapter 12
The Compromised Healthcare Sector of India and Other Southeast Asian Countries:
Open Avenues for Foreign Collaboration

Manisha Goswami
GLA University, Mathura, India

ABSTRACT

This chapter aims to focus on the umpteen challenges in the healthcare sector of India which temper the possibility of partnerships with India and the 10 Southeast Asian countries. India's expenditure on the healthcare sector is only 1% of GDP, less than neighboring ASEAN countries. The Indian Government has privatised the healthcare sector. In the second wave of COVID-19, public and private hospitals are operating at full capacity with shortages of life-saving medicines, oxygen, ventilators, and vaccines. Lower middle-income groups and the poor are suffering the most. Nations of the world, medical scientific community, and pharmaceutical companies put their resources together to discover a vaccine for coronavirus within a year. To have an effective and sustainable model of doing business in healthcare, it is important to have partnerships and integrating best practices and innovations for improving and providing equitable and affordable access to healthcare.

INTRODUCTION

Southeast Asian region and India is a profoundly distinct country of varied culture, economic, and social region. From economic powerhouses like Singapore to weaker economies like Cambodia, Laos, and Myanmar, the area is home to many countries. The Association of Southeast Asian Nations (ASEAN) comprises eleven countries: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, Timor Leste, and Vietnam (United Nation, 2021). The region's overall population is around 625 million (8.58 percent of the global population), with "Indonesia" being the most populous country (representing 40% of Southeast Asia's total population) and "Brunei" being the least populous

DOI: 10.4018/978-1-7998-5774-7.ch012

(United Nation, 2021; Hashim et al., 2012). This chapter focuses on the umpteen challenges in India's healthcare sector, which temper the possibility of association with Southeast Asian Countries.

India and Southeast Asian countries collectively represent 26.28% of the world population, over 1.9 billion people. It accounts for only 4.7% GDP of the world in 2019 after the hit of COVID'19, and it goes down to -3.4% in December 2021. Before the epidemic, Southeast Asia had been experiencing annual growth of around 5% for decades, making it one of the nation's finest regions. It became an enticing economic driver due to a relatively young population fuelling demand and many manufacturing workers. Those advantages are still in play, but first, eliminate COVID-19; wherein India represents 17.7% of the world population. India spends only 1% of its GDP on healthcare (World Health Organization, 2021), much less than the neighbouring nations like Sri Lanka, Bhutan, and Nepal, which are all impoverished in terms of per capita income (Patnaik, 2020).

India has one of the lowest expenditures on healthcare support systems compared to any country. The Indian Government trying to run the country's healthcare sector based on the developed nations' medical support systems like the US has created havoc in the lives of the middle and lower class people in India. India's 32 million residents account for roughly 60% of the global decline in the middle-income tier (those with daily incomes of $10.01-$20) (Pew Research Centre, 2020). Around the same time, the low-income category, which includes those with a daily income of $2 or less, grew by 75 million people, accounting for 60% of the global growth in poverty. Thus, could not afford even the basic healthcare support. Further, healthcare privatization and universal insurance scheme have even made it difficult and costly for US citizens to afford them despite the highest spending of 17.06% on healthcare out of the entire GDP as compared to Cuba (11.74%), Germany (11.25%), France (11.31%) and the UK (9.63%).

Further, growing globalization adds to the misery where individuals' access to health insurance is no longer publicly funded. The private sectors in Singapore, Thailand, and Malaysia have reaped their competitive advantages by clubbing health benefits and treatment for rich foreigners with leisure packages to shoot the demand for those health facilities (Pocock & Phua, 2011). The same is the case in India; a good number of people are visiting for medical treatment from bubble economies such as the United States, the United Kingdom, and Australia. However, the majority of medical tourists who visit India are from Asia and Africa. According to reports, approximately 697,453 international tourists visited India for medical care (Ernst & Young, 2019). India's private medical infrastructure and healthcare support system have received much attention: Kerala, Andhra Pradesh, Maharashtra, and New Delhi. However, medical expenses are quite high for the middle and lower class of people who are in the majority in India, but significantly cheaper for foreigners as they are earning in dollars and spending in rupees (Hashim et al., 2012; Medhekar, 2019; Medhekar et al., 2019).

Additionally, the poor economies, such as the "Philippines" (Reisman, 1996), attributed to a strategy of exporting health professionals to the world and wealthier countries to raise revenue (Chanda. 2002). Even though the monetary benefits of this approach seem to be significant, capital concerns about the negative impact of foreign trade in healthcare and worker mobility on national health systems have surfaced, particularly in terms of worsening gaps among rural and urban societies. Even in Indonesia, healthcare is based on Insurance which creates disparities in providing medical support to people. Hence, Indonesians move to Malaysia for medical support (Meikeng, 2014).

Such disparities further aggravated via global pandemic situation; COVID'19 was first reported on December 19 in the Wuhan of China (World Health Organization, 2021); from there, it crossed all the boundaries and reached every different country from a developed nation to the underdeveloped nations