

Reseñas de publicaciones

Medical tourism in developing countries.

Milica Z. Bookman and Karla R. Bookman. Palgrave Macmillan, New York 2007.
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Medical Tourism in Developing Countries is a comprehensive study of the growing synergy between medical services and tourism. The authors successfully present both the economic and legal fundamentals of this rapidly growing industry. Anyone from those wishing to increase their understanding of medical tourism to policy makers seeking specific recommendations on how to develop the sector will benefit from reading this work.

M. Bookman and K. Bookman's (2007) *Medical Tourism in Developing Countries* is a comprehensive study of the growing synergy between medical services and tourism. For the purpose of their study medical tourism is defined as "travel with the aim of improving one's health" (p.1). The fundamentals of the market, challenges and opportunities associated with developing the sector, and health care equity issues are all discussed. As the book's title suggests the focus is on how developing countries may use this tourism niche to promote growth. Much of the analysis of the book is based on the history of medical tourism in ten countries: Argentina, Chile, Costa Rica, Cuba, India, Jordan, Malaysia, Philippines, South Africa, and Thailand. Milica Book-

man is a Professor of Economics at St. Joseph's University in Philadelphia and Karla Bookman is a litigator in New York City. The authors background allow for them to successfully present both the fundamental economic and legal issues surrounding medical tourism.

Theoretical factors that influence demand for medical tourism are similar to those for most goods. The role of price, ease of getting service in one's home country, insurance plans, value of the service offered abroad, and the service not being available in one's home country are presented as both push and pull factors" (p.38). The authors categorize medical tourists by income. Both the poor and rich are able to engage in medical tourism but poor individuals are more likely to engage in cross-border medical tourism while richer patients are able to purchase services further from home. Understanding the components of demand is just one challenge facing developing countries promoting medical tourism.

Much of the discussion regarding the supply side of medical tourism focuses on the need for public and private sector coordination. The author's believe that these sectors must work in unison to get the most

out of medical tourism stating that “neither sector alone can achieve their goals without the participation of the other” (p.66). For medical tourism this means governments should encourage research and design, protect property rights, invest in infrastructure, and in general create institutions which are conducive to encouraging medical tourism.

Countries wishing to promote medical tourism face significant internal challenges. The authors’ believe that countries which have been able to foster medical tourism have advantages in low cost production, human capital, research and development, physical infrastructure, and have developed institutions (Bookman & Bookman, 2007, p.96). For the majority of the countries discussed these advantages exist within a market economy. Cuba is the obvious exception. A country need not have an advantage in each category but “there has to be a critical mass of advantages” (p.96) These advantages lead to policies which should foster comparative advantages. I believe policy should liberalize aspects of an economy in a stable manner while fostering the advantages listed.

In addition to the internal challenges there are a number of international obstacles that developing countries face. These include international regulations, standards and accreditation, insurance, legal recourse and protection for patients, transportation, and entry requirements. The discussion on international obstacles offers some of the best insights of the work. There is an interesting presentation of the evolution of U.S. patent law and how it may apply to medical tourism. While all the international obstacles are significant, understanding the role of costs is especially important. Just as manufacturing companies seek out low cost countries to set up production medical tourists will seek out low cost destinations. Medical tourism is not a perfectly competitive market so product differentiation has the potential to give countries some degree of market power. The service being offered but also the quality of said service is a major determinant in a medical tourists’ decision. Policies in developing countries need to be forward looking to account for the propensity for medical tourists to seek out low cost destina-

tions.

The degree of foreign ownership and investment is another challenge. Throughout the book the authors discuss the role of international organizations in medical tourism. In particular hospitals, universities, companies, etc. from developed countries taking a more active role in health care abroad. While partnerships between organizations in developed and developing countries will stimulate medical tourism some portion of profits must be kept domestically. As a greater percentage of profits go abroad domestic governments will not have the revenue necessary to promote growth and development.

The book concludes with a discussion on equity and how policy may lead to medical tourism crowding out or in public health. I would have preferred a more comprehensive treatment. The authors discuss issues that cause medical tourism to crowd in or out public health believing that it is ultimately an empirical question. I believe it will be decided in the political arena. If policymakers seek to use revenue from medical tourism to pursue development and improve public health they will be able to do so. On the other hand if the revenues are devoted to rent seeking public health will not improve.

Medical Tourism in Developing Countries is an insightful work that outlines the fundamentals of an increasingly important global industry. While the book applies economic tools of analysis one does not need to have a deep understanding of economics to take advantage of the book’s value. Readers ranging from those wishing to increase their understanding of this important industry to policy makers seeking specific recommendations on how to develop medical tourism will benefit from this work.

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