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Gavin H. Mooney
Elizabeth M. Russell
Roy D. Weir

Department of Community Medicine
University of Aberdeen

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Preface

Health economics is still a relatively young science. It is only in the past decade or so that economists in the United Kingdom have begun in earnest to consider how the discipline of economics can be used to assist planning and decision-making in health care. At the present time there is no book available which combines some simple, easily understood economic techniques with a full awareness of the problems of decision-making in health care and with guidelines as to how the approach of health economics can be introduced and used at different levels of health care management and planning. This book is intended to fill this gap and is based on the practical experiences over the past five years of a small team of economists and health care staff who have introduced such principles and techniques to their colleagues and into the day-to-day working of a health board.

The philosophy of economics is perhaps just as important, if not more so, than the application of economic techniques. Economics does not seek to alter the values of different groups but it does try to understand them and set them in a framework of choice so that the implications of the different choices are clearly identified. Such valuation is central to planning and decision-making in health care but all too seldom are the values made explicit. These are the prime issues to which economics can be applied in health care although there is still much to be done at the practical level to improve the relevant concepts, theories and techniques. This book attempts to show how best to apply the approaches in health care planning and how it might be achieved.

It is inevitable that in advocating greater rationality and explicitness in health care planning and decision-making criticisms are made

of the health service. Such criticisms, however, are intended to be constructive. For those interested in how the health service functions and how it might be made to function better, it is hoped that this book will provide some relevant food for thought.

Department of Community Medicine
University of Aberdeen
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G. H. M.
E. M. R.
R. D. W.

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Any remaining errors and the opinions expressed are, of course, the responsibility of the authors alone.