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Does a Poor Economy Improve Public Health?

DOES A POOR ECONOMY IMPROVE PUBLIC HEALTH

You are listening to ReachMD, The Channel for Medical Professionals. An upside to the current economic crisis is that research indicates that physical health improves when the economy temporarily weakens if counterintuitive findings will be the focus of today's show. Welcome to the Business of Medicine. I am Dr. Larry Kaskel your host and my guest today is Christopher Ruhm, a Jefferson Pilot Excellence, Professor of Economics at the University of North Carolina in Greensboro, North Carolina.

DR. LARRY KASKEL:

Mr. Ruhm, welcome to the show.

CHRISTOPHER RUHM:

Hi, nice to be here.

DR. LARRY KASKEL:

I know you have done some research in this area and I am wondering why you were even motivated to do this?

CHRISTOPHER RUHM:

Yeah, that's a good question. You know, I started out a number of years ago to work on labor displacement and displaced workers and I read some of the previous work arguing that when times were bad, people's health got worse and I had seen that was true, but when I looked at the research, I saw some potential problems with it. So I thought I would fix the problems expecting to verify the result, and lo and behold what I found was the opposite result that health got better in bad times.

DR. LARRY KASKEL :

So, why is that? I mean, it seems quite counterintuitive.

CHRISTOPHER RUHM:

Right, you know there is variety of reasons, some of which are actually obvious when I say them and others are not. So, one that's obvious if we look at something like traffic fatalities, people don't drive this much during recessions. So, we have your vehicle deaths. That seems pretty obvious after I said, but there are a number of other factors, turns out, people drink less. So, we have less drunk driving. They smoke less, they are less obese. So, if we look at things like deaths from heart attacks, those also fall.

DR. LARRY KASKEL :

So, in downturns I always thought that it was a good time to invest in vices and you are saying that's not really true, that people don't turn to the vices as much. Is that because they don't have the money?

CHRISTOPHER RUHM:

Yeah, that's probably at least part of what's going on, right. So, people have less money and some of the things that go along with it like we don't go out to eat as much. Well, may be when go out to eat that's when we drink or we smoke. So, we might see some of that. It turns out people also are going to have more time on their hands and they can use those for some helpful activities.

DR. LARRY KASKEL :

So, how did you do your research? Were you just looking at death statistics or what kind of stats did you go over?

CHRISTOPHER RUHM:

I have done a number of different studies on this. Some are related to mortality rates, that was the first work I did and then actually some later work also looking at specific causes of death like heart attacks, but then I also looked at measures of health problems, some morbidity of various kinds and then health behaviors like drinking and smoking and exercise and that sort of thing.

DR. LARRY KASKEL :

Are there any things that get worse during economic downturns?

CHRISTOPHER RUHM:

Yes, you know I draw a distinction between physical and mental health. So, I thought people were healthier, but were not happier. If you look at suicides, suicides actually increase and then mental health measures are harder to find in a large survey, but to the extent we have the mental health seems to also get worse.

DR. LARRY KASKEL :

Yeah and what happens during an economic expansion? Does the converse play true, does our health get worse?

CHRISTOPHER RUHM:

Yes, our health gets worse and one limitation to this work right now is that the effects are actually assumed to be symmetrical. That is, what happens in a good time is just the opposite of what happens in a bad time and you know one area that would be nice to take this work in the future would be to allow for asymmetrical effects. The effects might not be just in the opposite direction, but that research hasn't been done yet.

DR. LARRY KASKEL :

Have you had a chance or has anyone looked at other countries that have gone through expansions and downturns and does the same play true, let's say for China?

CHRISTOPHER RUHM:

Let's see. I am trying to know this, if I have seen work from China. I am not sure about China. We do see quite a lot of research that's developed over the last 3 years, a few years following these same methods looking mainly at industrialized countries and we do seem to see similar effects. So, if we look say Europe, one recent study in Mexico showing that when times are bad deaths declined and to the extent we can measure people seemed to get healthier. We know a lot less about what goes on in less highly industrialized countries and the effects could well be different.

DR. LARRY KASKEL :

Should I tell my patients when they lose their job that that's a good thing, that they should be glad their health is going to improve?

CHRISTOPHER RUHM:

No, I would say definitely not. What I would say is take the opportunity. You know, if you have some extra time on your hands use it productively. So, you know cook better meals, get better exercise, but, on the other side, I would say tell your patients that you have that great opportunity and they are working really hard. Well, this is great, but watch out. You need to take some proactive steps to make sure these negative things don't happen.

DR. LARRY KASKEL :

You mentioned, you got more time to cook healthy. but you don't have the money to cook healthy, because it definitely costs more money to eat better. Its much cheaper to eat crappier foods.

CHRISTOPHER RUHM:

You know, that's partly true. I mean some things like you know <_____> is quite expensive. A lot of healthy food is not particularly expensive. You know legumes; they are not particularly expensive. The other thing I point out is almost anything you eat at home, well I should say for the typical individual what they eat at home tends to be healthier than what they eat out and certainly eating out is you know one of the most expensive things of all.

DR. LARRY KASKEL:

If you have just tuned in you are listening to the Business of Medicine on ReachMD XM160, The Channel for Medical Professionals. I am Dr. Larry Kaskel, your host, and I am talking with Christopher Ruhm, a Jefferson Pilot Excellence Professor of Economics at the University of North Carolina in Greensboro, North Carolina and we are talking about the health benefits of an economic downturn on one's physical health.

So to continue, what it means to our health when we see our savings and retirement accounts plummeting to 50% of their values 6 months ago? Is that something that is good for our physical health, but not necessarily our mental health?

CHRISTOPHER RUHM:

Well, the answer is it might be, but it might not. One concern I have in talking about this research is that it was conducted over a time period where we see a sort of a garden variety change in economic condition seen when we had blips up or down in the economy. My concern is you know what we are seeing right now might be more than that and so you know how well does the past generalize to the present it is not so clear.

DR. LARRY KASKEL:

Can you take us into some of the details of your study looking at the relationships between unemployment rate and mortality? How does it work?

CHRISTOPHER RUHM:

Do you mean specific figures?

DR. LARRY KASKEL:

Specific figures. Lets say, if there is a 1% increase in unemployment, what happens to death?

CHRISTOPHER RUHM:

If we would look say at something like motor vehicle fatalities they might fall 2% or 3% for a 1-percentage point increase in unemployment. Heart attacks and other sources of cardiovascular disease we might be talking about a half a percent, but if you look at something like cancer, there seems to be little or no effect. So its not a uniform effect across kinds of health and I would argue that where we are seeing the effects are exactly the places we would expect to see it if we are looking at the health conditions or sources of mortality that are closely related to say environmental risk factors or to the personal changes in behavior.

DR. LARRY KASKEL :

Have you noticed any effects on infant mortality?

CHRISTOPHER RUHM:

Yes, in fact in my work and then some other workers also finding that infant mortality falls also when times are bad and now it turns out you know one of the issues there is separating, who is deciding to have kids that may vary some of the macroeconomic conditions, but even when you adjust for that, there does seem to be the same pattern.

DR. LARRY KASKEL :

Did you look at all at what happens in the doctor's office? I would think that when there is a recession or a downturn, people are not doing routine medical care, they are avoiding screening tests. Did you look at any of that?

CHRISTOPHER RUHM:

Yeah and you are exactly right. I mean both those happen. So, if we look at routine medical care or dental care screening tests, all those kinds of things they are declining when times are bad and then you know that makes sense because we have less money, we might have less health insurance. What it suggests is that either at least in the short run, you know those effects are more than balanced out by say the healthier lifestyles or it could just be those things take a longer period of time to have an effect. Interestingly, if we look at factors such as treatments for heart attacks, we actually don't find the same pattern and I am not exactly sure why? But when times are bad, there is actual likely to be more treatments say for your heart attacks. Now, what might be going on is there you are talking about something that is really non-discretionary. You know, you have a heart attack, you go to the emergency department, and they treat you and money really doesn't come into it. So, perhaps that's what is going on there.

DR. LARRY KASKEL :

Did you look at all that illicit drug usage in downturns, alcohol related deaths, marijuana, accidents, heroin overdosage, anything like that.

CHRISTOPHER RUHM:

I have looked at alcohol, but I haven't looked at any illegal drugs.

DR. LARRY KASKEL :

So, just the legal ones.

CHRISTOPHER RUHM:

Just the legal ones, that's right. I mean, yeah, it will be interesting to try to examine that. My guess is that the pattern would go in the same direction because you know these are often quite expensive, but I don't know.

DR. LARRY KASKEL :

And tell me a little bit more about the relationship, if you can, between pollution, traffic congestion, and health risks. Are you saying that when there is not there many people on the road because no one is working there is less pollution, less sickness.

CHRISTOPHER RUHM:

Yes, I am saying that now what I should say though about that is that's a result that's very consistent with the findings. So, for example there is research indicating that even short-term exposure to pollution can increase your risk of death from heart attacks. In my work, I haven't gotten air pollution data explicitly into the models to see if that's the mechanism and actually that's something that I think would be very interesting to do in the future. It's hard to do. What I am saying here is that's a logical expectation. You know we know, how air pollution affects health. We know how the economy effects air pollution, but the two haven't been included simultaneously in the models.

DR. LARRY KASKEL :

You have also said that not only does the recession make people smoke less, lose weight, do more physical activity, it's actually the least healthily behaving people, who make the biggest health behavior changes.

CHRISTOPHER RUHM:

That's right and its obvious going into this, but if you look, so the change tends to be; for example people going from complete physical inactivities from sedentary lifestyles to having some level of physical activity you know the vigorous exercises well they seem to keep going pretty much no matter what similarly for drinking, its actually heavy drinkers that cut back, that would tie into literature we know unhealthy, you know light drinking may have at least some health benefits. We are not seeing much change in that. What we are seeing is cutting back on the heavy drinking.

DR. LARRY KASKEL :

It all seems extremely counterintuitive because I would think if someone is not working they would want to spend more time outside of the house away from their wives at the bar and not more time at home.

CHRISTOPHER RUHM:

Well, I do not know maybe they are getting out and spending it exercising.

DR. LARRY KASKEL:

Yeah, so this research is done, I imagine it's been done or you have looked at other periods. What periods did you actually look at over the last century or two?

CHRISTOPHER RUHM:

In my work, I am looking at the period pretty much beginning in the 1970s, so in the original study it was 1970s through 1990s and then you know there has been different aspects to this that have at the slightly different time periods.

DR. LARRY KASKEL:

I know that you gave an interview on NPR in April and at that time, gas was 360 a gallon and that seems to have perhaps kept people off of the road, which would mean less traffic, less stress, less pollution, less death, and now we kind of have gas prices coming down, so are people taking to the road even though they don't have as much money because gas is less? Did that factor enter any of your research?

CHRISTOPHER RUHM:

I have not directly looked at that in any of my analyses. I know it would be interesting because you are quite right. I mean there is some data out there suggesting high gas prices lead to better outcomes including one of my colleagues says some work showing it leads to lower obesity rates. So, yeah, the fact that gas prices are falling you might expect people to drive more. What's interesting here is one thing that seems to be driving down the price of gas is the decline in the demand for it. The fact that people are driving less and using less gas is a factor in driving prices down. So, it's a little hard to know how it will all play out.

DR. LARRY KASKEL:

So, my take home message is that a fiscal squeeze actually might be good for squeezing your waistline.

CHRISTOPHER RUHM:

That's right.

DR. LARRY KASKEL:

Chris Rum, Professor of Economics at the University of North Carolina at Greensboro, thank you very much for coming on the show.

CHRISTOPHER RUHM:

Thank you.

DR. LARRY KASKEL:

I am Dr. Larry Kaskel, you have been listening to the Business of Medicine on ReachMD XM160, The Channel for Medical Professionals. Please visit our website at www.reachmd.com, which features our entire library through on-demand podcasts and thanks for listening.

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