

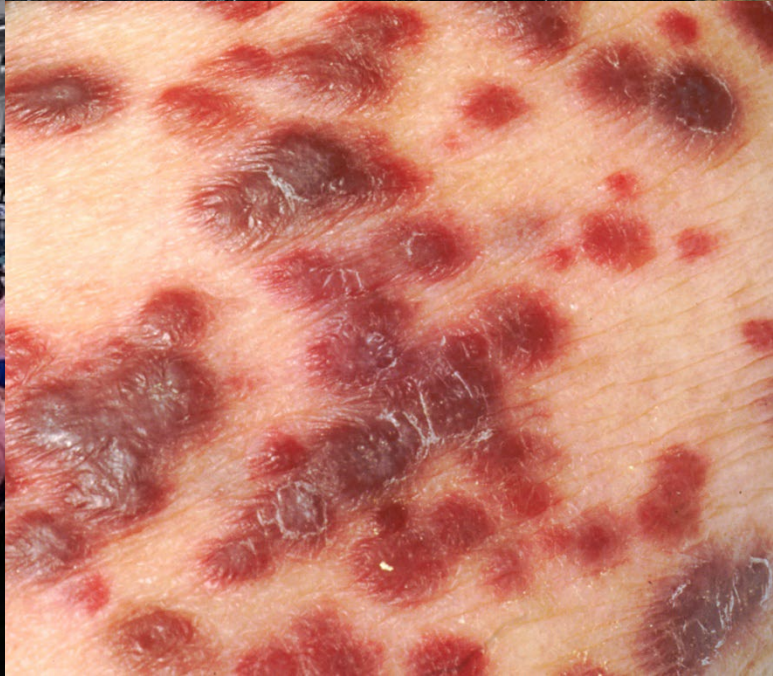
Macroeconomics and Health

IPHU, Cape Town

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Two way relationship

- Macroeconomic environment
 - shapes population health and
 - health care policy
- Health as input into macroeconomic policy thinking
 - health system as a sector of the economy
 - population health as economic resource

Macroeconomic environment shapes health care policy

- Economy-wide resources to pay for health care (public or private)
- Public sector revenue
 - tax capacity
 - policy assumptions regarding taxation (eg 'tax competition')
- Macroeconomic policy framing health policy
 - private sector friendly policies
 - need for public subsidy to reduce the burden on employers in a social insurance model



Macroeconomic environment shapes population health and how we address the social and environmental determinants of health

- Macroeconomic policy framing the social and environmental determinants of health
 - occupational health
 - safe and healthy environments
 - investment in housing and infrastructure
 - social protection
 - income inequality and social participation
- Macroeconomic policy frames the capacity to address the social and environmental determinants of health
 - regulation: decent laws which are policed
 - competitive deregulation: the race to the bottom
 - trade laws which limit government capacity to regulate



Health system as a consideration in macroeconomic policy thinking

- Health costs at family level and household savings
 - health (social) security as a way of loosening savings
 - family responsibility (eg ISAs) as a way of encouraging savings
- Private health care (and related industries) as investment opportunity
 - private (or subcontracted) health insurance
 - pharmaceutical industry
- Health care expenditure as the purchase of goods and services from other sectors
 - employment
 - financial services (private or contracted insurance)
 - pharmaceutical industry
 - local buildings and supply industries
- Health care (and related industries) as export prospects



Population health as a consideration in macroeconomic policy thinking

- Labour as a resource to be consumed
 - slavery
 - poorly regulated mining
 - low paid mass assembly facilities
- Labour power as a resource to be nurtured
 - disease as a cause of low productivity
 - disease as a cause of labour shortage

