European Journal of Public Health, Vol. 22, No. 1, 2-3

© The Author 2011. Published by Oxford University Press on behalf of the European Public Health Association. All rights reserved. doi:10.1093/eurpub/ckr189

There is an alternative: public health professionals must not remain silent at a time of financial crisis

David Stuckler^{1,2}, Martin McKee^{2,3}

- 1 Department of Sociology, University of Cambridge
- 2 Department of Public Health & Policy, London School of Hygiene & Tropical Medicine
- 3 European Observatory on Health Systems

Correspondence:

Greece is under threat. As a member of the European Monetary Union, it has few policy options to respond to its debt crisis. The troika of the European Union, International Monetary Fund and European Central Bank have imposed a severe austerity regime, with severe cuts to social welfare and education. Greece's health budget has been cut in half since

The consequences for Greece's National Health Service are now apparent. Those in need are increasingly unable to see doctors. Neighbourhood clinics are closing so people must travel further, and those still open face staffing cuts and reduced opening hours; 26 000 public-health workers (including 9100 physicians) have lost their jobs. Cuts of 40% to hospital budgets have led to shortages of medicines and supplies. Those who once purchased private health care are turning to the public sector: admissions have fallen by one-quarter in private hospitals while increasing about 40% in hard-pressed public hospitals.

What has happened to the health of Greeks? Homicides have doubled since 2007. Suicides increased by 17% between 2007 and 2009 and the previous health minister spoke of preliminary evidence of a 40% increase in 2010–11. HIV infections rose by a remarkable 52% in the first half of 2011, largely due to increases in commercial sex work, unsafe sex and increases in injecting drug use: there was a 12.5-fold increase in HIV among injection drug users. Greek non-governmental organizations report being able to meet less than one-fiftieth of the demand for needle exchange.

These bleak statistics portray a society in breakdown, with a health system unable to cope. But this is only the beginning. Further support from the troika is conditional on implementing further austerity measures, including another 2.1 billion euro cut to health until 2015. Soon there will be little left to cut and the human misery will increase. Those financial markets, who have assumed the role once occupied by the Fates in Greek mythology, argue that these measures are necessary to restore the health of the economy. Should we believe them?

Readers of this journal will remember how, just 3 years ago, the theme of the European Public Health Association conference in Lisbon, was 'Health and Wealth'. Speakers marshalled extensive evidence that spending on health should not be viewed primarily as a cost to be contained but rather as a crucial driver of economic growth.³ Extensive evidence was presented about the importance of a healthy workforce for the economy, while sick workers retire early and increase costs of healthcare. Now our politicians assert exactly the opposite, that we must cut health budgets for the sake of the economy.

These policies are short sighted and deeply amoral. Radical austerity is not a recovery strategy, but, as John Galbraith puts it, 'a doctrine of collective punishment'. The policies being pursued are not inevitable but rather a set of choices imposed on the Greek people by the troika, desperate to protect the funds lent irresponsibly by major banks. There

are alternatives, as Iceland, now on the road to recovery, has shown. And when the Greek prime minister suggested that the people of Greece should have a say in the process, he was ousted in favour of an unelected economist; those European leaders that, a few months earlier, welcomed the emergence of democracy on the southern shores of the Mediterranean remained silent as it was discarded on the northern shore.

Where can Europe realistically go next? One option to cut Greece off, engineering an exit from the euro. This has attractions for some. The reinstated Drachma would fall rapidly in value, making Greek exports more competitive. Those with money, which include many of the Greek elite whose riches have been hidden off-shore, out of reach of the Greek tax authorities, would be able to buy up assets at a fraction of their real worth, including many that the troika has forced the Greek government to privatize. Currency speculators would resume the practices they engaged in before the euro was introduced, once again wreaking economic havoc. But Greeks rapid inflation would render imported goods, including medicines, unaffordable and those with loans denominated in Euros would be rendered insolvent. Nor would it solve the problems of the rest of Europe; should Italy, Portugal or Spain follow Greece out of the euro, its value would soar, rendering German exports uncompetitive, as has already happened in Switzerland where the government is intervening actively to reduce the value of the Swiss Franc.

An alternative is for the people of Europe to stand together. In this scenario, European leaders would recognize that financial union can only succeed with closer political union, and thus oversight of national policies. National sovereignty can never again be used to conceal the production (with the complicity of leading financial institutions) of accounts that are blatantly fraudulent. Closer political union is already happening anyway, albeit by stealth. Irish parliamentarians were recently dismayed to learn that their government's budget had been circulated to the other Member States before being presented to them. It would also mean raising European funds, in the form of a 'Eurobond' that could be used to reduce Greek debt repayments to sustainable levels, making funds available for growth. Too big a price to pay? Recall that Greece's total debt is <4% of the total for the European Union.

The emerging data on the health crisis in Greece are a wake-up call to policymakers in Portugal, Ireland, Italy and Spain, where similar radical austerity policies are being implemented. They are also a wake-up call to readers of this journal, who include the best and brightest public health professionals in Europe. If we do not draw attention to the health impacts of these policies and propose measures to mitigate them, who will?

As researchers, the least we can do is to document the human costs of the crisis, to tell the stories of ordinary people throughout Europe whose lives are being blighted by radical austerity and risky bank manoeuvres. There will be more unintended consequences, albeit difficult to predict, calling for a close monitoring of the situation. Our initial studies, recently published in the *Lancet*, were very simple to do and cost only our time as researchers. ^{1,6}

Especially now in winter season, we must remember those who are suffering. We should all ask ourselves, in solidarity, as Europeans and public health professionals, what can we do to help Greece?

References

1 Kentikelenis A, Karanikolos M, Papanicolas I, et al. Health effects of financial crisis: omens of a Greek tragedy. *Lancet* 2011;378:1457–8.

- 2 Triantafyllou K, Angeletopoulou C. IMF and European co-workers attack public health in Greece. Lancet 2011;378:1459–60.
- 3 McKee M, Suhrcke, Nolte E, et al. Health systems, health, and wealth: a European perspective. *Lancet* 2009;373:349–51.
- 4 García Rada A. European financial crisis. Is Spanish public health sinking? BMJ 2011;343: doi: 10.1136/bmj.d7445.
- 5 Stuckler D, Basu S, Suhrcke M, et al. The public health effect of economic crises and alternative policy responses in Europe: an empirical analysis. *Lancet* 2009;374:315–23.
- 6 Stuckler D, Basu S, Suhrcke M, Coutts A, McKee M. Effects of the 2008 recession on health: a first look at European data. *Lancet* 2011;378:124–5.