

# TASC

*Think-tank for Action on Social Change*



*Independent research, challenging inequality and promoting a flourishing society*

## Creating a Flourishing Society: Tackling socio-economic determinants of health inequalities

Nat O'Connor  
IMO, 25<sup>th</sup> April 2014

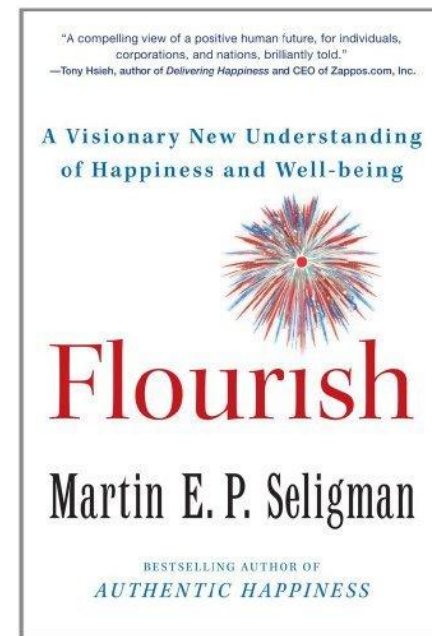
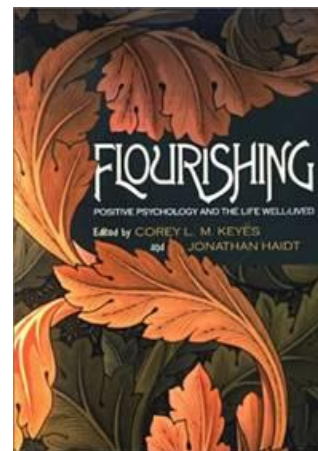
**[www.tasc.ie](http://www.tasc.ie)**



# HUMAN FLOURISHING

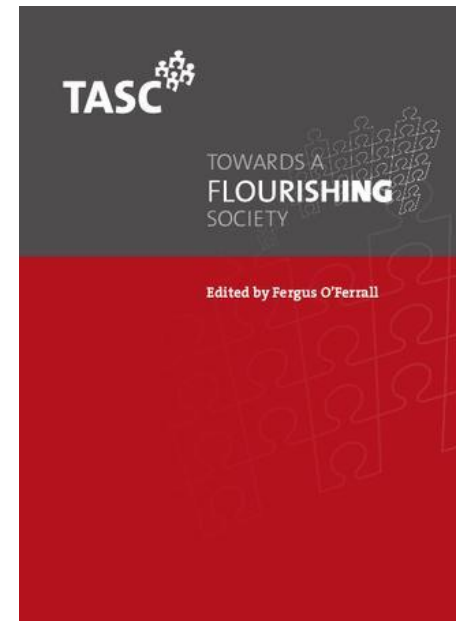
# Human Flourishing (examples)

- “A deeper sense of well-being, meaning and purpose”
- “A visionary new understanding of happiness and well-being”
- “Positive psychology and the life well lived”

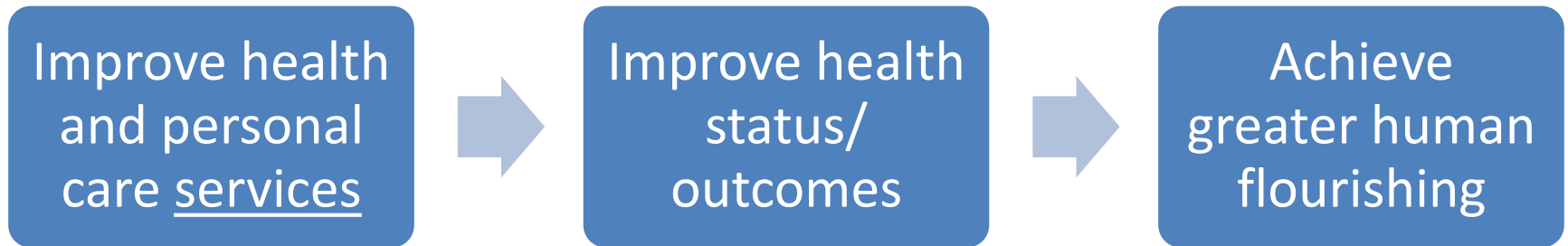


# Towards a Flourishing Society...

1. A vision of the kind of society we want
  - ‘human flourishing’, and people developing their capabilities to live their lives to the full
2. Combined with ideas about social and economic policies to support people to flourish



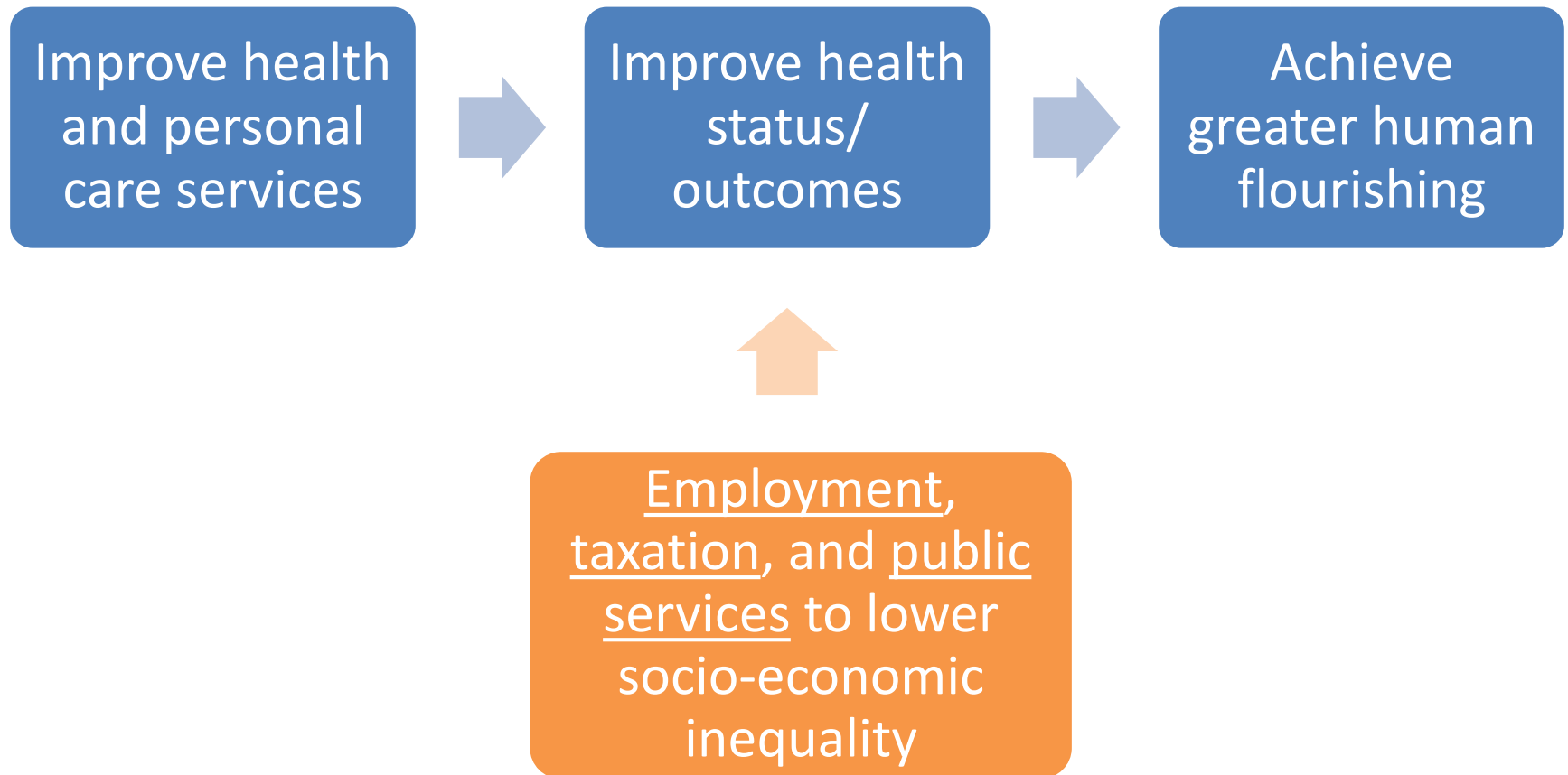
# A Healthcare Approach





# HEALTH INEQUALITIES

# A Health Inequalities Approach



# Health Inequality

“Health inequalities are preventable and unjust differences in health status experienced by certain population groups. People in lower socio-economic groups are more likely to experience chronic ill-health and die earlier than those who are more advantaged.”

The Institute of Public Health in Ireland reports inequalities:

- in mortality
- in physical and mental illness
- in child health
- in health services
- in health behaviours

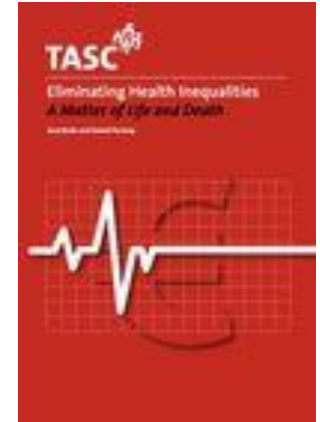


# *Fair Society, Healthy Lives* (The Marmot Review)

“People with higher socioeconomic position in society have a greater array of life chances and more opportunities to lead a flourishing life. They also have better health. The two are linked: the more favoured people are, socially and economically, the better their health. This link between social conditions and health is not a footnote to the 'real' concerns with health - health care and unhealthy behaviours - it should become the main focus.”

Note from the Chair, Michael Marmot (p. 3)

# TASC Report



- *Eliminating Health Inequalities: A Matter of Life and Death (2011)*

Figure 2: Deviation of life expectancy at birth from average life expectancy by deprivation ranking

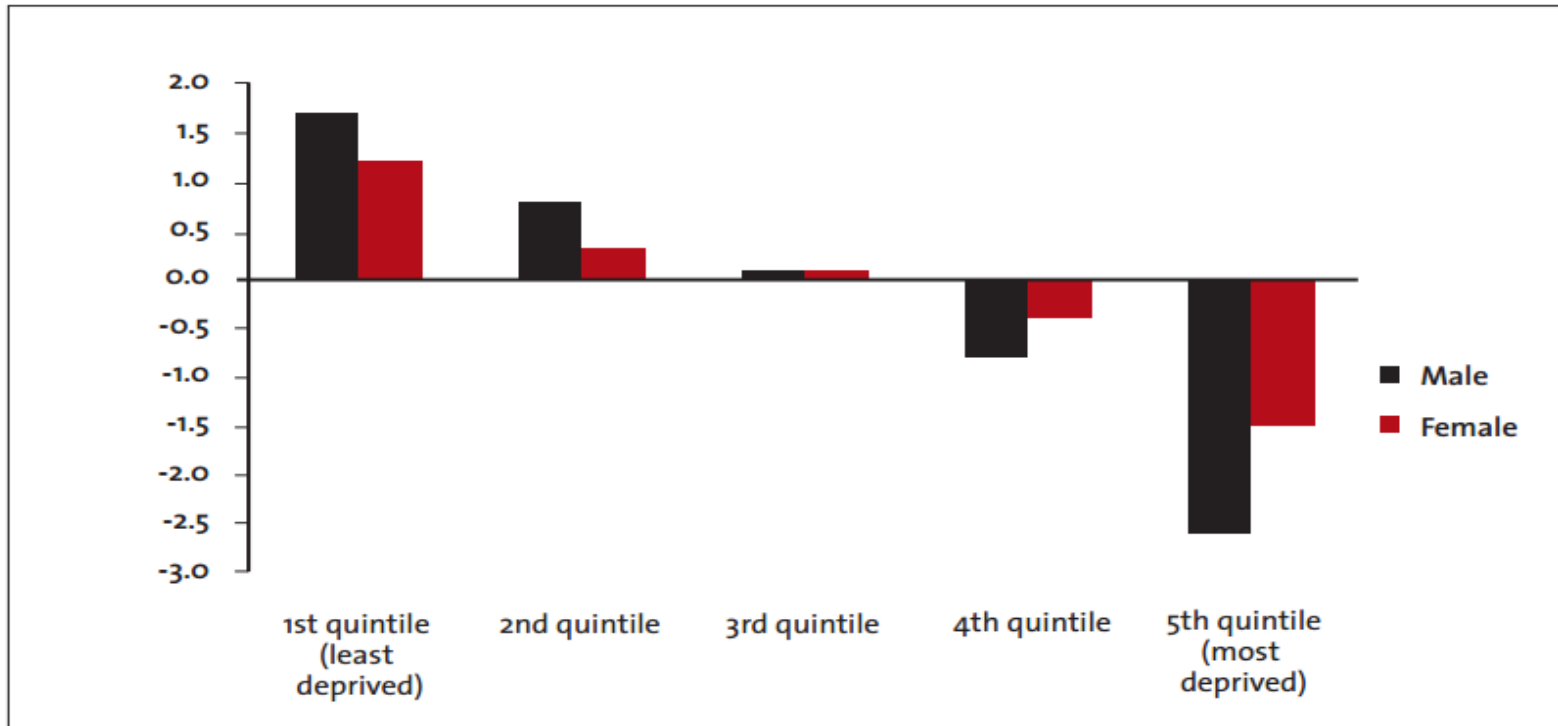
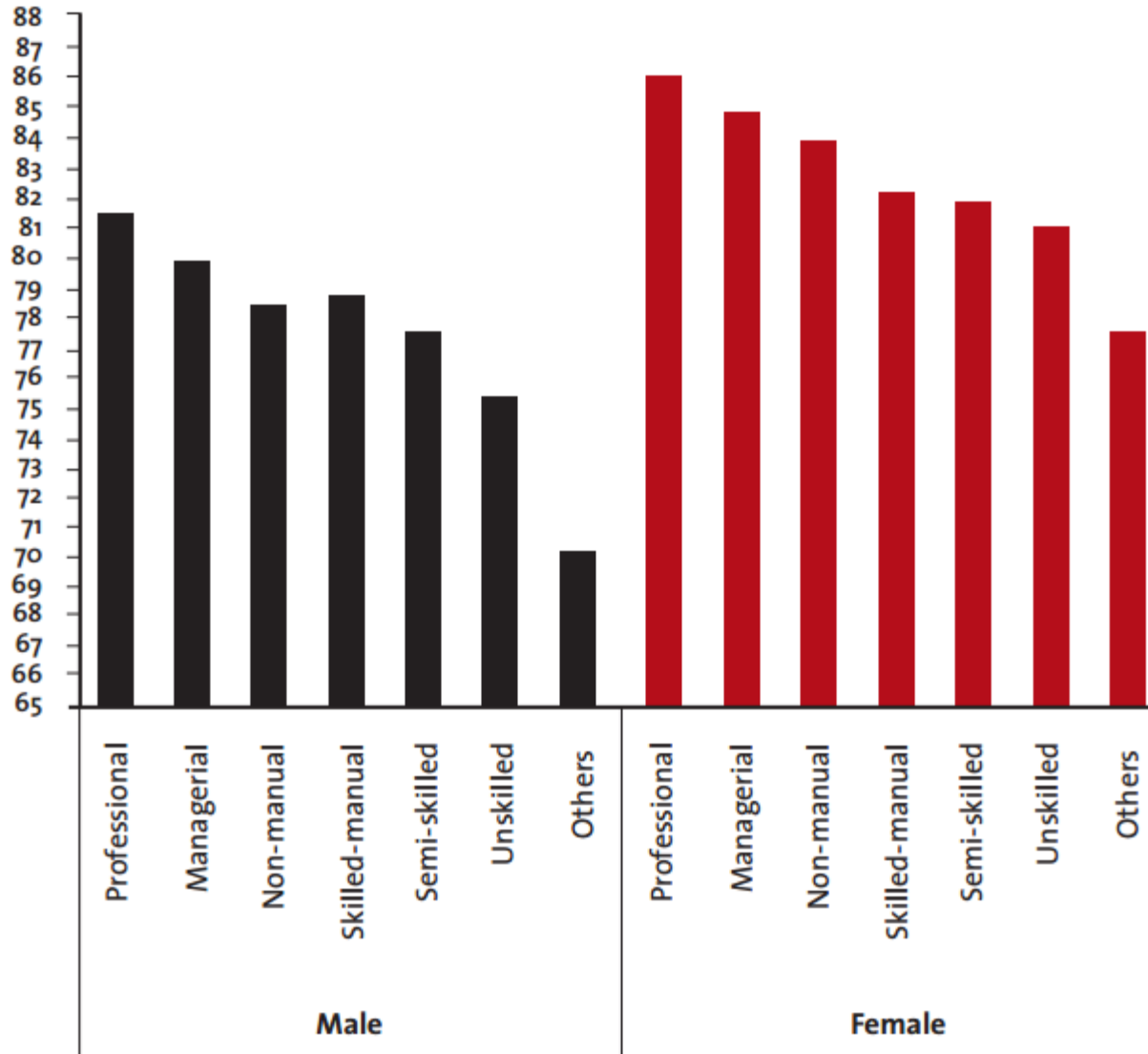
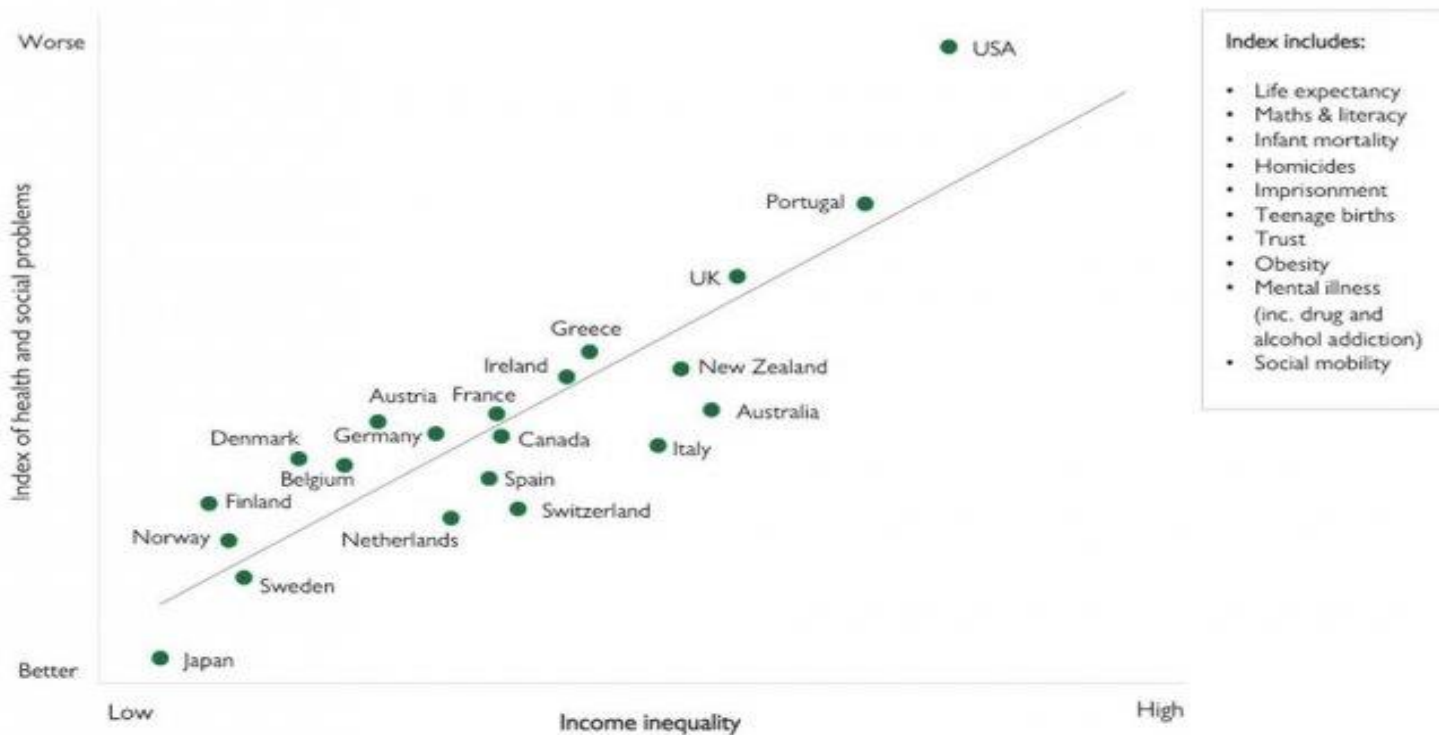


Figure 3: Life expectancy at birth by social class



# Spirit Level: epidemiological approach

Health and social problems are worse in more unequal countries



Source: Wilkinson & Pickett, *The Spirit Level* (2009)

THE EQUALITY TRUST

# Correlations

- Higher **infant mortality** rates in more unequal countries
- Prevalence of **mental illness** is higher in more unequal rich countries
- **Drug use** is more common in more unequal countries
- More adults are **obese** in more unequal rich countries
- **Educational scores** are higher in more equal rich countries
- **Social mobility** is lower in more unequal countries



**NURTURING HUMAN FLOURISHING**

# Nurturing Thought

- “Human flourishing is the end of all political, social, economic and political activity. ... It is, therefore, crucial to ensure the vision of human flourishing is articulated and kept clearly in view at all times.”
- “The capacity to think is inherent in the human person but must be nurtured: we need to develop opportunities for such fresh thinking by all citizens who wish to be free of received, unexamined beliefs.”
  - Fergus O’Ferrall (in *Towards a Flourishing Society*)

# Attributes of Flourishing People?

- Confidence
- Work ethic
- Productivity
- Innovation
- Discernment
- Imagination
- Curiosity
- Self-reliance
- Moderation
- Rational decision making
  - Etc.

**Innate or Acquired?**

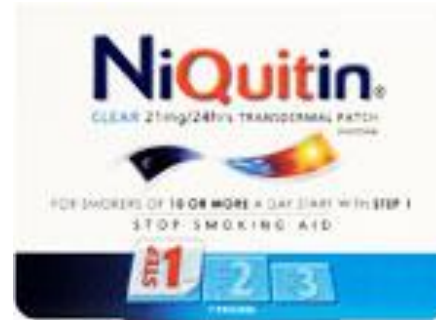
**Nurtured?**



# Requires Willpower?



(HSE: quit.ie)



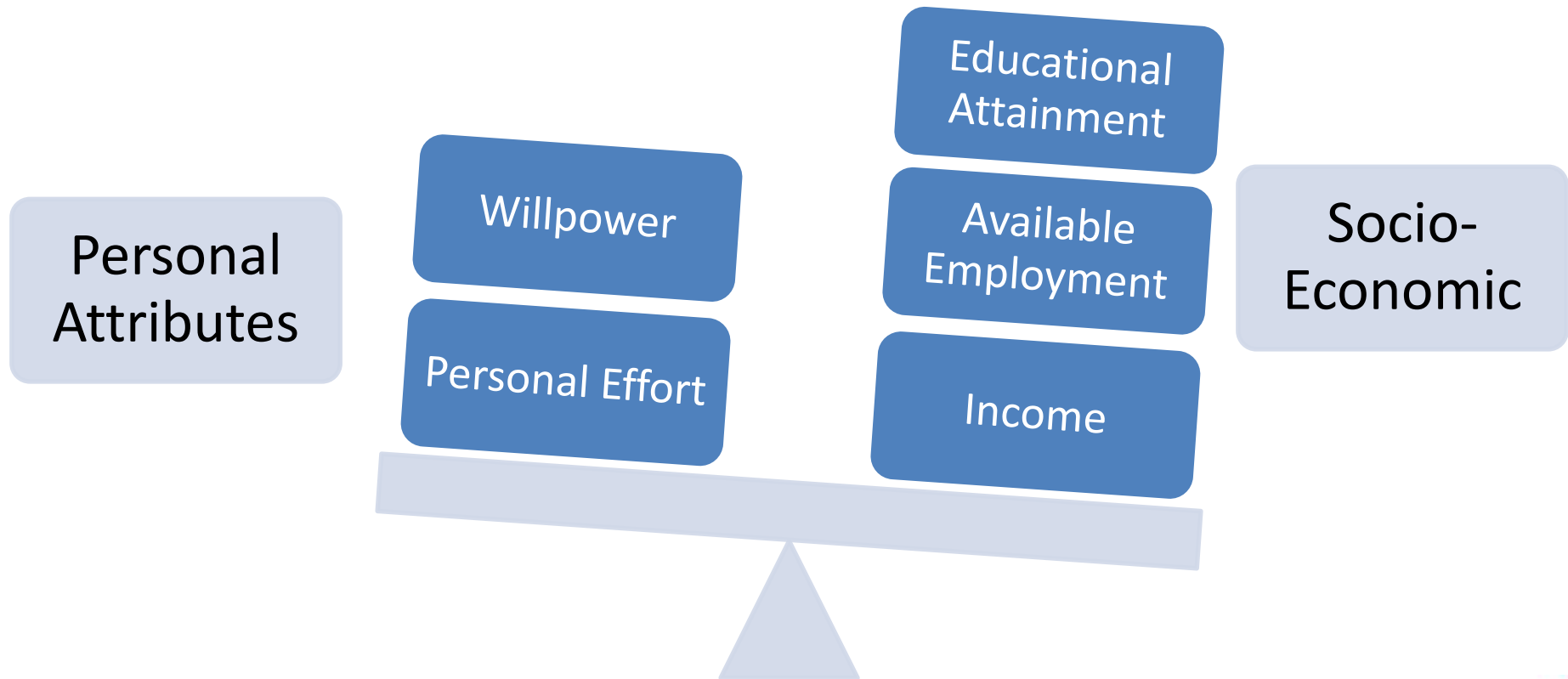
“Contains nicotine. Requires willpower. Always read the label.” <http://www.nicorette.ie/inhaler>

“It’s clinically proven that using NiQuitin Patches can double your chances of stopping smoking - compared with using willpower alone. [...] Requires willpower. Contains nicotine. Always read the label/leaflet.” <http://www.niquitin.ie/about-quitting-smoking/>

“Most people quit successfully after a few attempts, and while many go it along on will power, those quitters who use supports like our National Smokers’ Quitline, online help, smoking cessation services or medications are twice as likely to succeed.” (HSE) <http://www.hse.ie/eng/health/hl/change/quit/about%20QUIT.html>

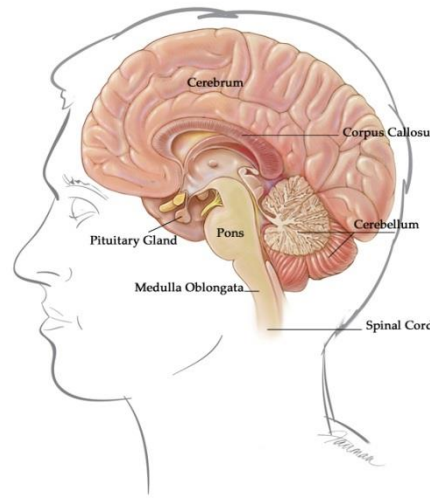
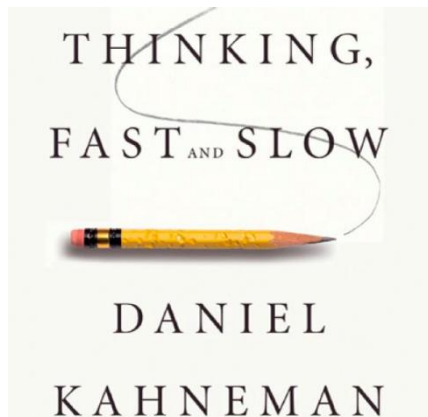
“Willpower just means wanting something badly enough. Ask yourself if you really want to quit and if so... go for it!” (HSE) <http://www.hse.ie/eng/services/Campaigns/quitbooklet.pdf>

# Socio-Economic Determinants



# Determinism v Personal Choice

- Economic assumptions about human nature and behaviour versus empirical evidence about the strong effect of socio-economic variables
- Illusion that people can “pull themselves up by their bootstraps” to exit poverty or unemployment.
- Blaming the poor rather than looking at failure of economic system to provide jobs.



# Information? Emotion?



**Smoke during pregnancy and you leave your baby no choice**

For advice and information to help you stop smoking, call 882 3408 to be put in contact with a trained smoking cessation counsellor.

Cigarette smoke contains over 4,000 toxic substances, many of which cause cancer. Smoking harms babies and children.

**HE**  
Helena Smith  
Health Service Executive



# Incentives?



**CIGARETTES**  
Up 10c  
per pack of 20



PIONÓS  
€500 NÓ PRÍOSÚNACHT  
NÓ AN DÁ RUD SAP 53620

PENALTY  
€500 OR IMPRISONMENT  
OR BOTH



**ALCOHOL**  
Up 10c  
Spirits/Pints  
Up 50c  
Bottle of Wine





# THE INDISPUTABLE IMPORTANCE OF SOCIO-ECONOMIC VARIABLES

# Economic Inequality

- Pope Francis *Evangelii Gaudium*
- “Urgent action needed to tackle rising inequality” (**OECD**)
- “Inequality Seriously Damages Growth, IMF Seminar Hears” (**IMF**)

[http://w2.vatican.va/content/francesco/en/apost\\_exhortations/documents/papa-francesco\\_esortazione-ap\\_20131124\\_evangelii-gaudium.html](http://w2.vatican.va/content/francesco/en/apost_exhortations/documents/papa-francesco_esortazione-ap_20131124_evangelii-gaudium.html)

<http://www.oecd.org/social/urgent-action-needed-to-tackle-rising-inequality-and-social-divisions-says-oecd.htm>

<http://www.imf.org/external/pubs/ft/survey/so/2014/RES041214A.htm>

# Economists on Economic Inequality

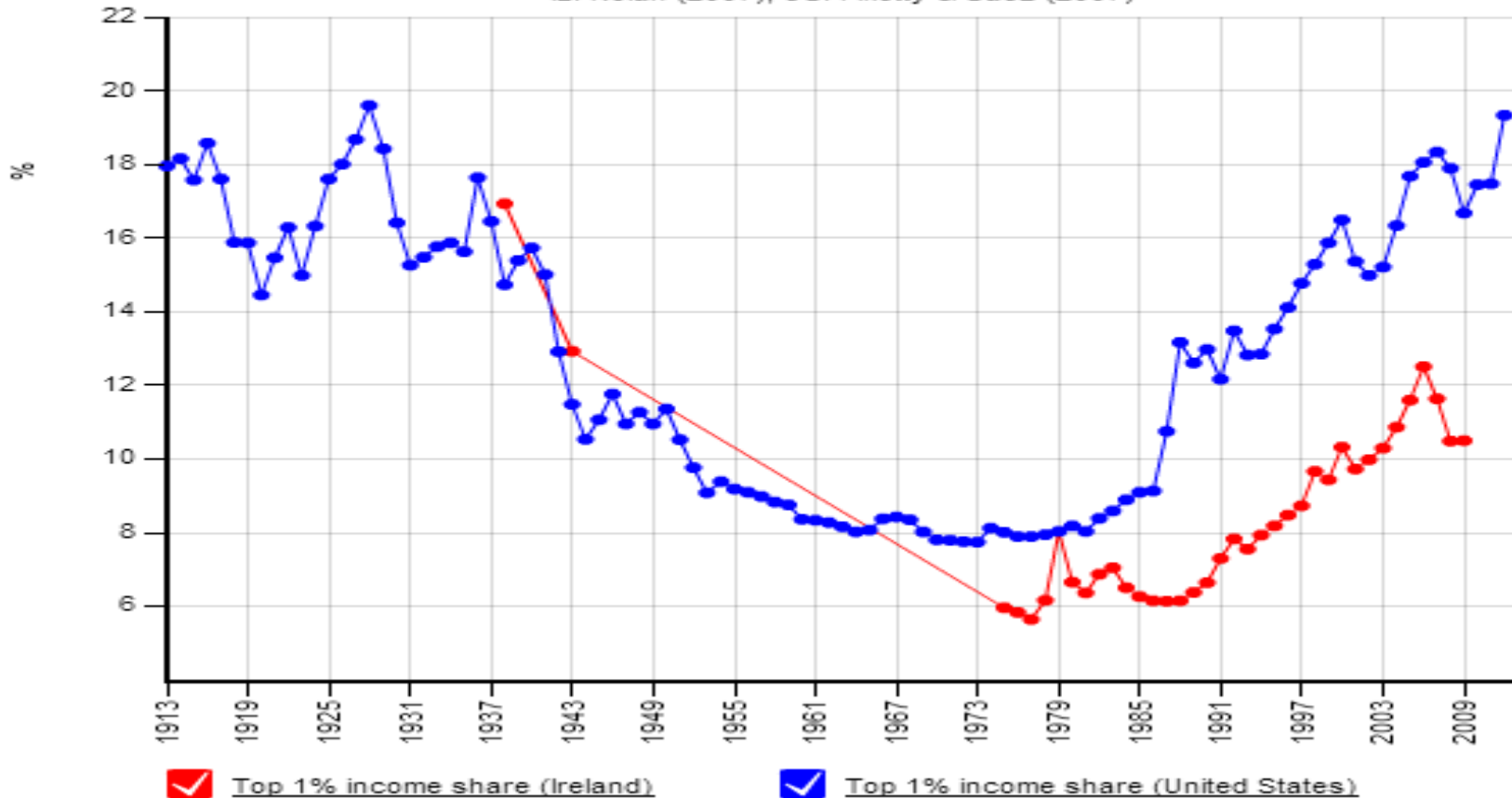
- “The most important problem that we are facing now today, I think, is rising inequality in the United States and elsewhere in the world,” **Robert Shiller**, Yale, when receiving Nobel Memorial Prize in Economics 2013  
[http://www.huffingtonpost.com/2013/10/15/shiller-income-inequality-problem\\_n\\_4100509.html](http://www.huffingtonpost.com/2013/10/15/shiller-income-inequality-problem_n_4100509.html)
- **Joseph Stiglitz**, *The Price of Inequality* (book), Nobel Prize for Economics 2001
- **Robert Reich**, *Inequality for All* (film)
- **Thomas Piketty**, *Capital in the 21<sup>st</sup> Century* (book)

And many more...

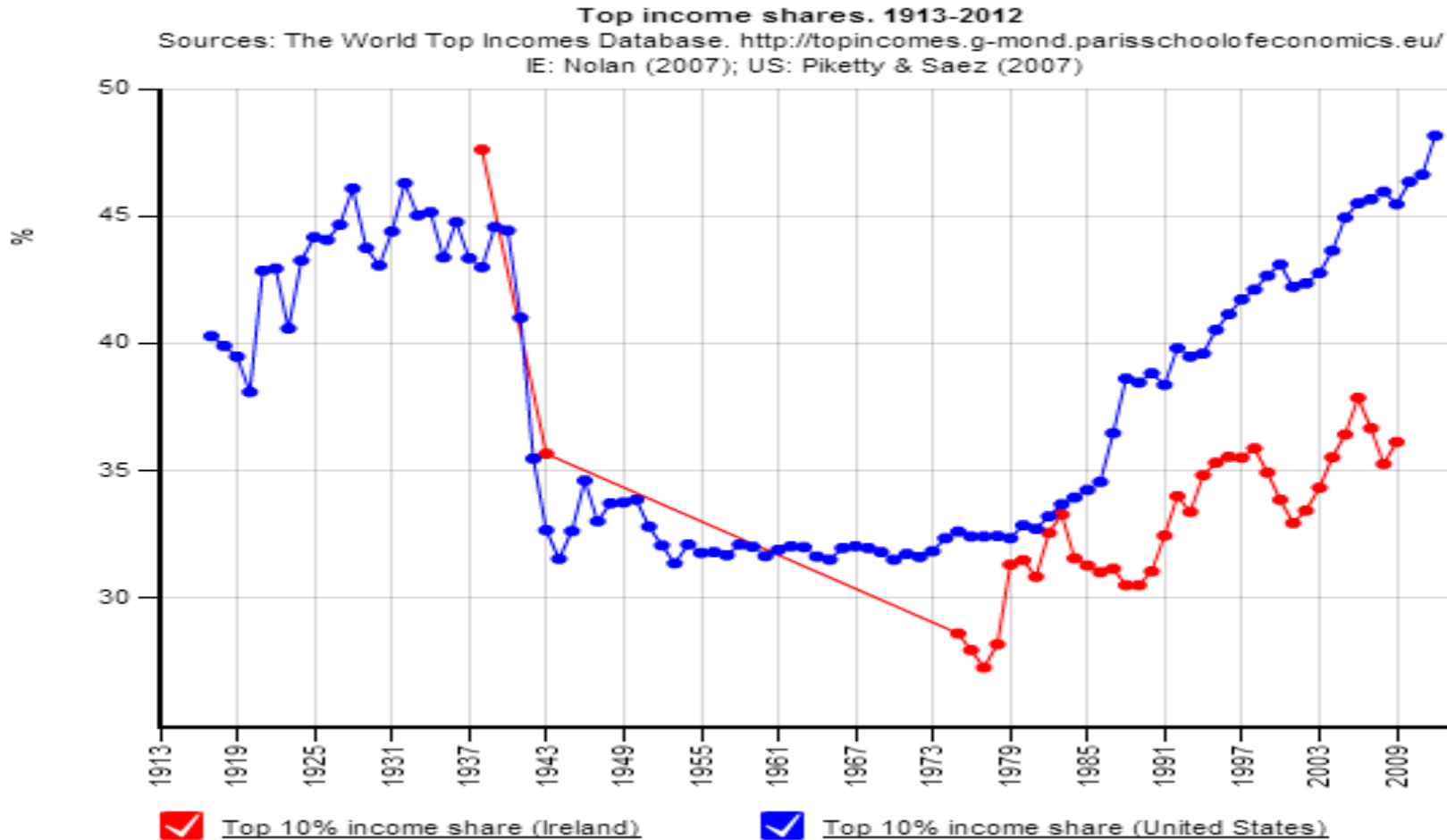


# Top 1% income share (USA, Ireland)

Top income shares. 1913-2012  
Sources: The World Top Incomes Database. <http://topincomes.g-mond.parisschoolofeconomics.eu/>  
IE: Nolan (2007); US: Piketty & Saez (2007)



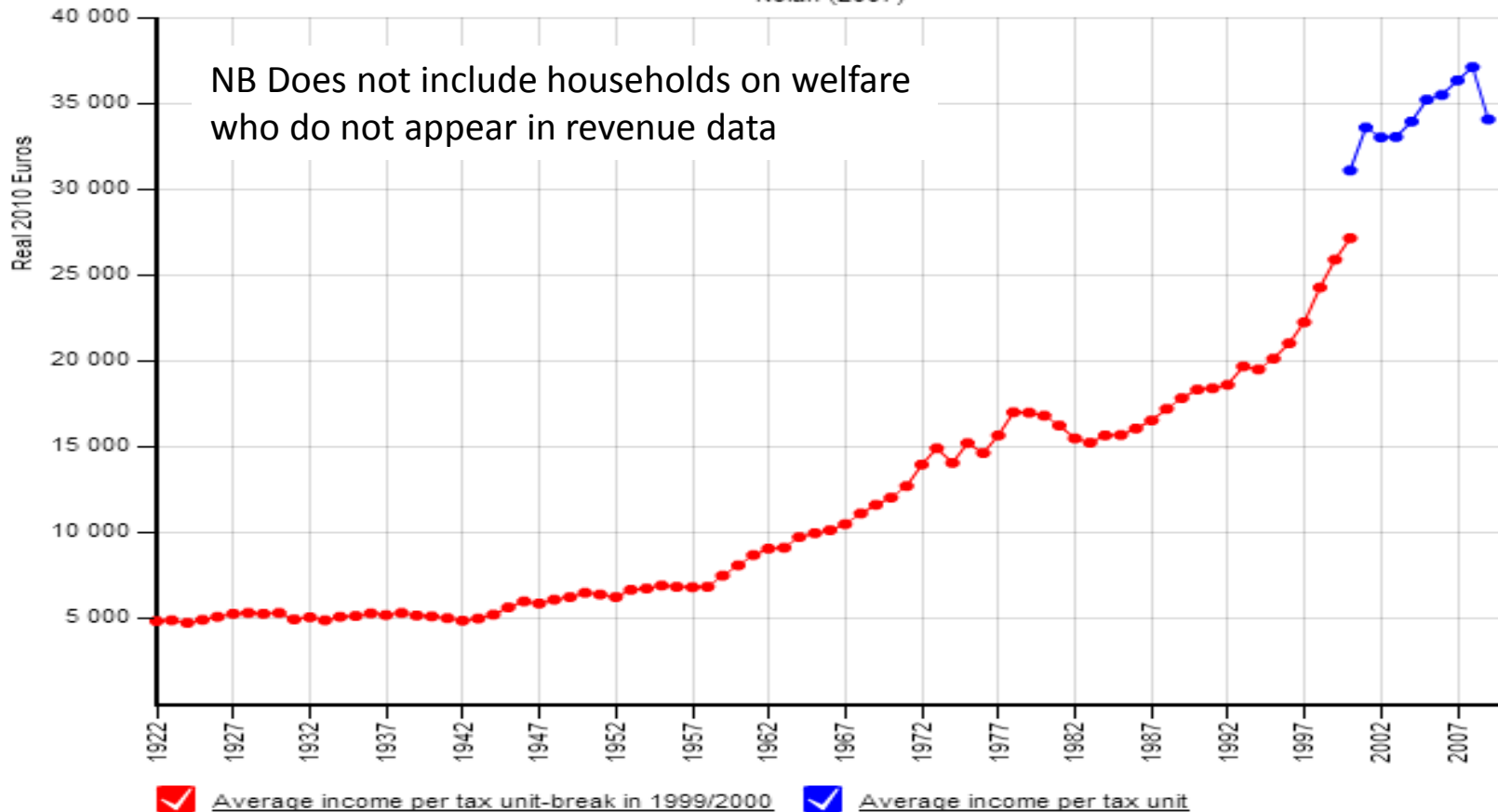
# Top 10% income share (USA, Ireland)



# Average income (Ireland)

Average incomes. Ireland. 1922-2009

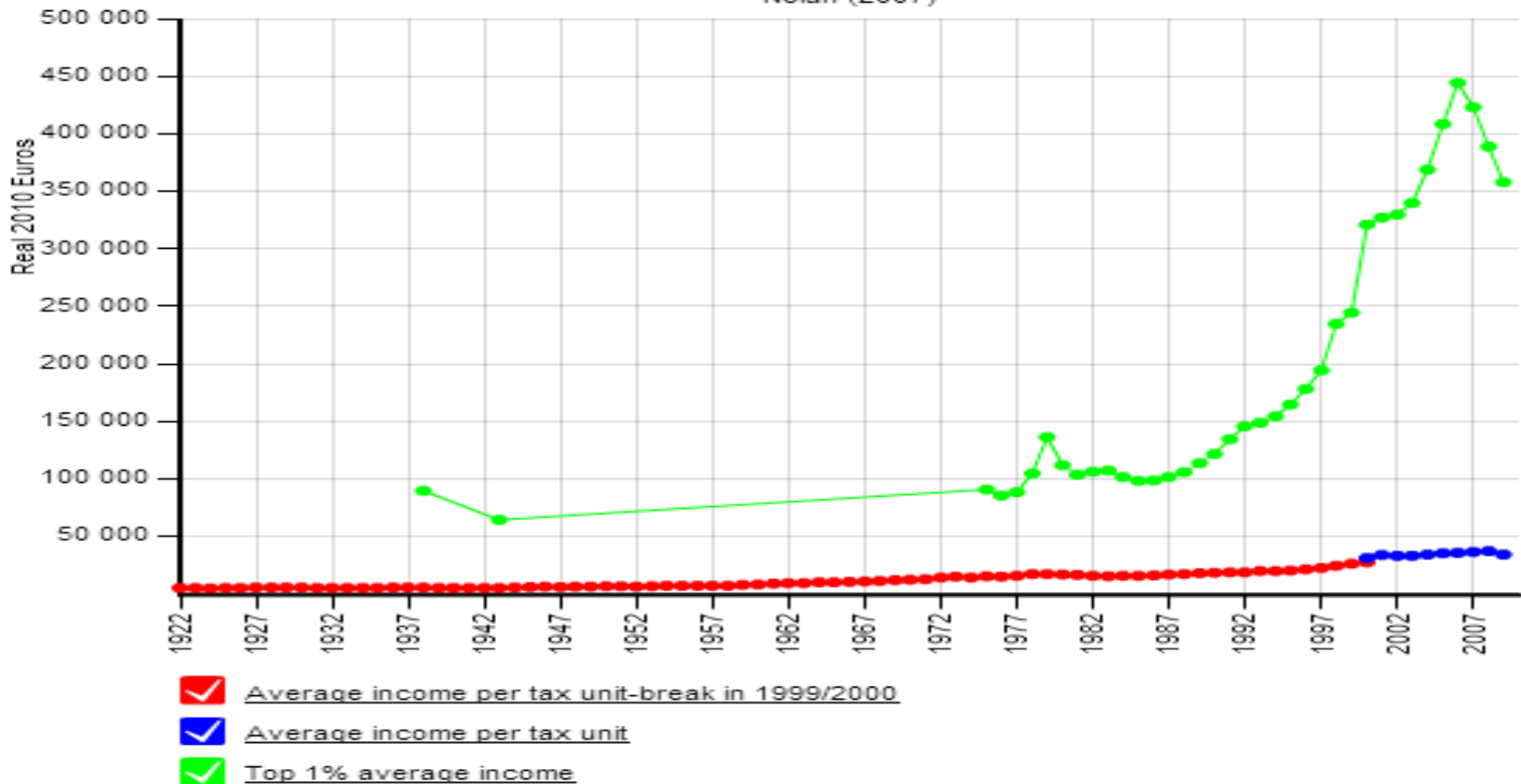
Sources: The World Top Incomes Database. <http://topincomes.g-mond.parisschoolofeconomics.eu/>  
Nolan (2007)



# Average income v. Top 1% (Ireland)

Average incomes, Ireland, 1922-2009

Sources: The World Top Incomes Database. <http://topincomes.g-mond.parisschoolofeconomics.eu/>  
Nolan (2007)



# Drivers of Inequality (UK)

- Family
- Childhood
- Globalisation
- Technology
- Political Systems and Institutions

# Whole Population x Income

Vast majority on State Pension  
€11,975 single  
€19,958 couple

Older People

Children  
(family no  
employment)

25% of children (ESRI)  
Child Benefit  
€1,560/year  
Welfare +€1,550/child

Children  
(family with  
employment)  
16%

Child Benefit  
€1,560/year

Working Age  
(Employed)

Average income  
(CSO)  
€36,079  
Min. wage  
€17,542

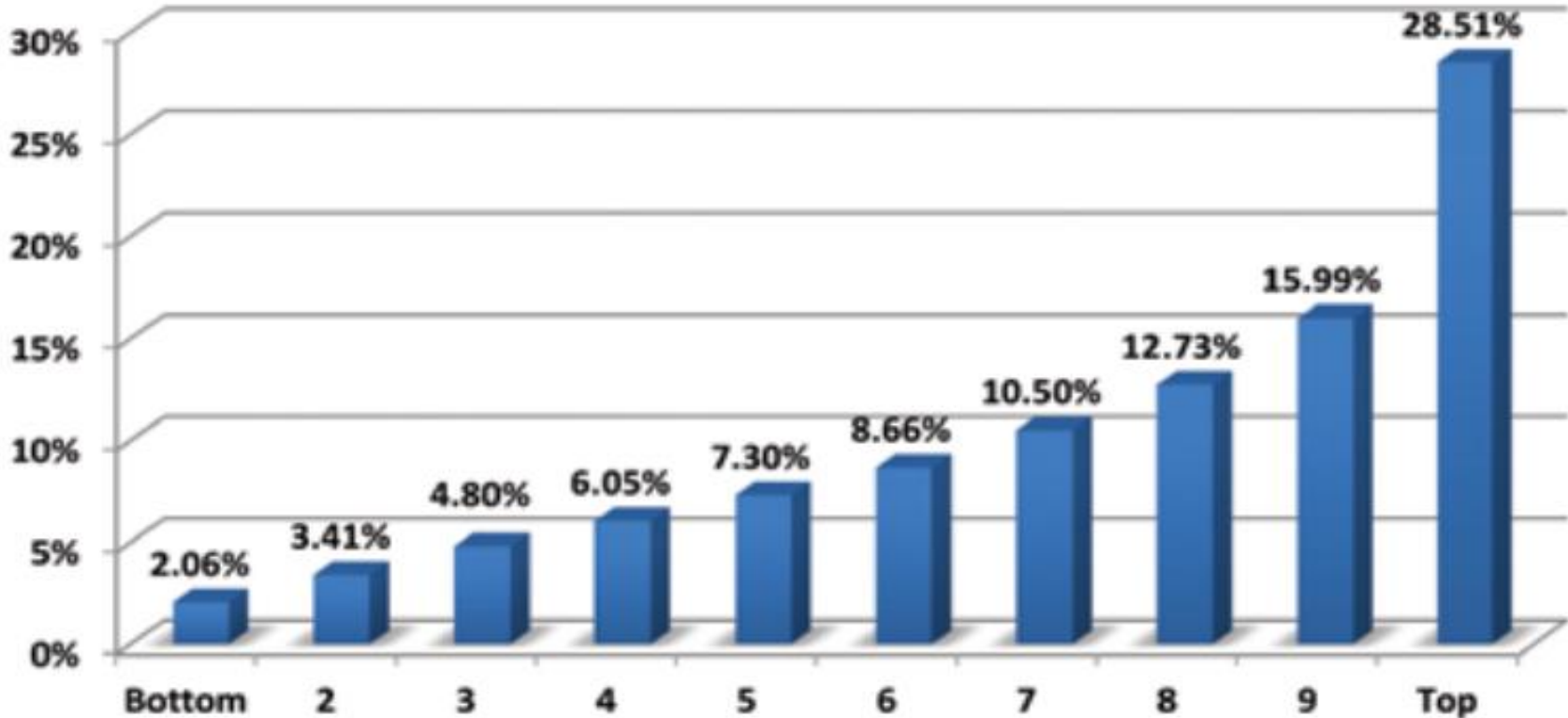
*57% of working age  
adults are employed  
48% of all adults*

Working Age  
(Unemployed  
or Inactive)

Weekly welfare  
is typically  
€9,776 single  
€16,266 couple

# Income Distribution

Chart 1: Ireland's Household Income Distribution in 2010



1.9m people are pensioners,  
unemployed or 'inactive'

Mostly low incomes (€10,000-20,000)

1.8m people are in employment  
Avg. earnings €36,000

Minimum wage €17,542 Chart: [NERI](#)



# **SOCIAL AND ECONOMIC POLICIES**



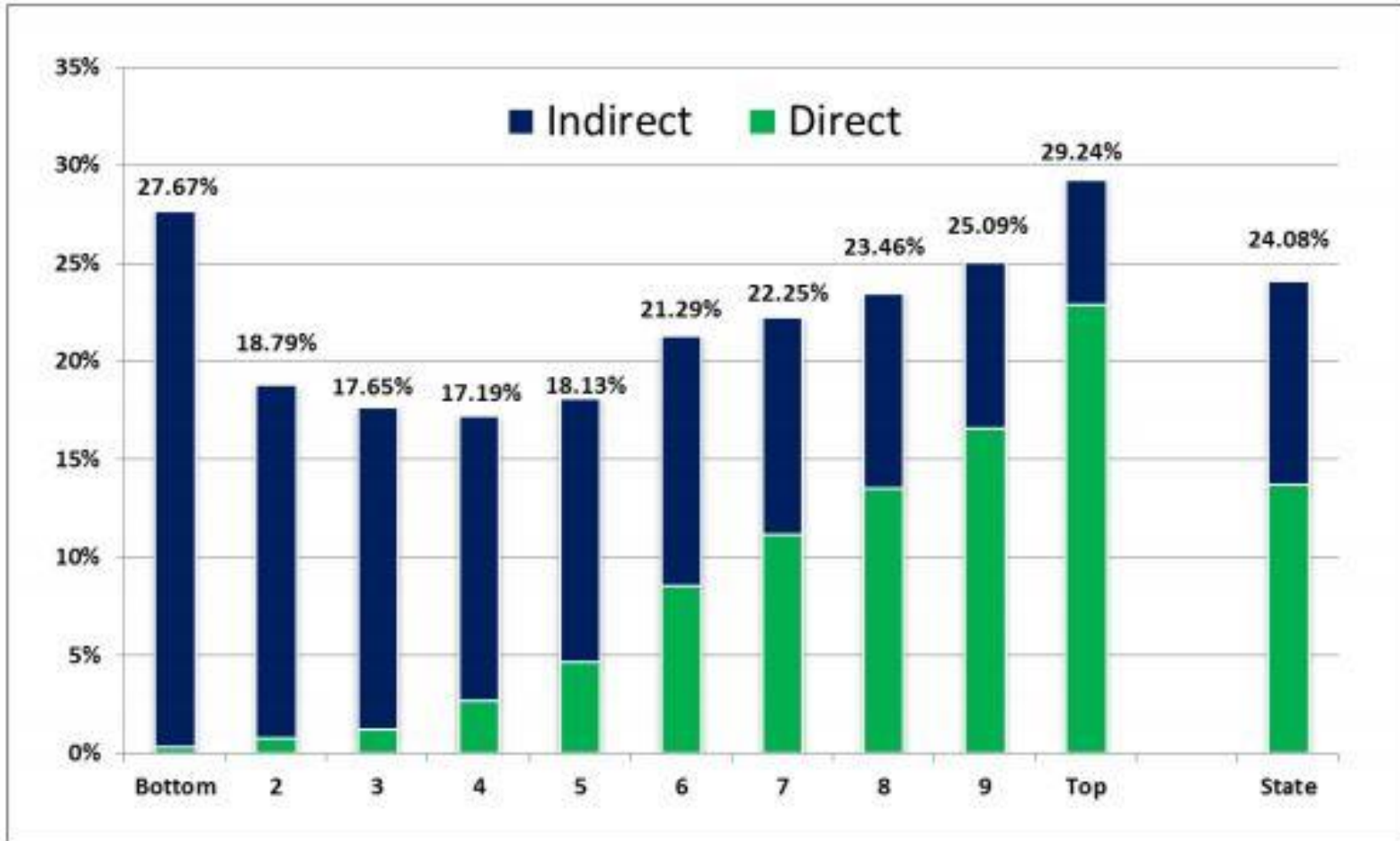
# Low Tax Base

- Ireland's overall taxation was **29% of GDP** in 2011
- Three-quarters of the EU average of nearly **36%**
- Far less than high tax countries like Denmark on nearly **48%** of GDP.

*Source: European Commission/Eurostat,  
'Taxation Trends in the European Union'*

# Taxation

Chart 7: Total Household Tax Contributions, % Gross Income



# Public Spending (% of GDP)

- **Ireland**                    **42.6**
- Euro Area                    49.9
- EU-15                        50.0
- EU-28                        49.3
  - Bulgaria                    35.9 (lowest)
  - Denmark                    59.4 (highest)
  
- Eurostat, COFOG data, 2012

# Health Spending % GDP

- **Ireland**                    **7.1**
- Euro Area                    7.4
- EU-15                        7.5
- EU-28                        7.3
  - Romania                    3.1     (lowest)
  - Croatia                     9.2     (highest)
  - Netherlands              8.9     (second highest)
  - UK                            7.9

# Education Spending % GDP

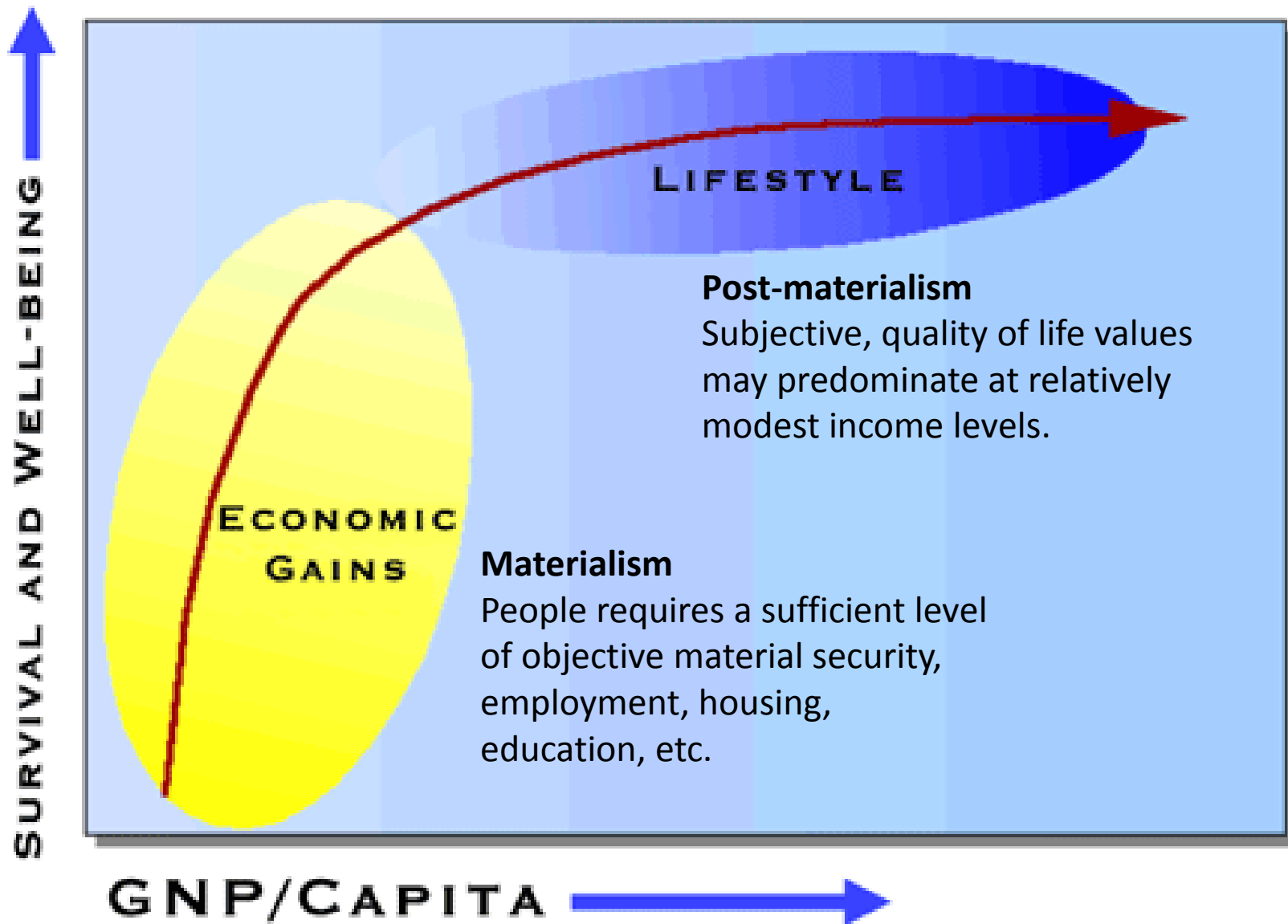
- **Ireland**                    **5.2**
- Euro Area                    5.0
- EU-15                        5.3
- EU-28                        5.3
  - Romania                    3.0     (lowest)
  - Denmark                   7.9     (highest)
  - UK                            6.0

# Social Protection Spending % GDP

- **Ireland**                    **16.4**
- Euro Area                    20.5
- EU-15                        20.3
- EU-28                        19.9
  - Latvia                    11.2 (lowest)
  - Denmark                25.2 (highest)
  - UK                        17.9



**NURTURING HUMAN FLOURISHING  
THROUGH ADEQUATE MATERIAL  
UNDERPINNINGS**



Source: R. Inglehart, 1997



# The Four Pillars of Social and Economic Policy underpin a Flourishing Society that can nurture Human Flourishing



Image: BBC

Health and  
Personal Care  
Services

Education  
and  
Training

Housing  
and  
Environment

Incomes  
and  
Pensions