

How does economic collapse alter the mortality rate?

Enlarge / Economic downturns mean less of this kind of thing.

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Debates about the economic cost of lockdown and whether the lives saved are worth the price show no signs of abating. The arguments continue despite near-consensus among high-profile economists that ending lockdowns in the United States right now would result in more economic damage than returning to business as usual.

As Ars has reported, economists at the University of Wyoming have used US federal agency guidelines on how much a human life is worth to establish that, under a range of realistic scenarios, the value of lives saved by lockdown will far exceed the economic hit. And economists at the Federal Reserve and MIT have questioned the assumption that the economic cost of lockdown would in fact be higher than the economic hit that would be caused by allowing the virus to run rampant. Their analysis found that cities that had more aggressive public health responses to the 1918 flu pandemic fared better economically.

But there's another question being asked: won't a recession *also* cause loss of life? And how would this loss of life compare to the lives saved from COVID-19 by a lockdown?

The widespread intuition

President Donald Trump has claimed that a recession or depression will lead to a greater loss of life than the coronavirus pandemic, which could kill as many as 2.2 million people in the US in a worst-case scenario, according to a widely used epidemiological model. (The New York Times indicates the White House has not provided evidence for its claim.)

In the UK, The Times argued that an economic crisis resulting from an extended period of lockdown could claim more lives than the coronavirus. Its report was based on a paper submitted to the journal *Nanotechnology Perceptions* that has not yet been peer-reviewed. The research, conducted by engineer Philip Thomas, rests on the finding that national GDP correlates with life expectancy. It then makes the rather hefty assumption that GDP *causes* that life expectancy (rather than vice versa, or other factors causing both to move in lockstep). Extrapolating further, the work makes an even heftier assumption: that a decrease in GDP can therefore be used to calculate the lost life-years of an economic crash.

This assumption is faulty on its own merits, but it is also not borne out by real-world data. Economists have been trying to understand the effects of economic crashes on life expectancy for the better part of a century and have turned up some unexpected findings. Unsurprisingly, societies and economies are complex enough that the consequences of economic crashes are complicated, messy, and context-dependent. But on average, economic downturns seem to lead to fewer deaths, not more.

The counterintuitive reality

With recessions come fewer people on the roads, which means fewer traffic accidents. And as we're seeing now with

worldwide lockdowns, less driving also means improved air quality. Since poor air quality is a public health crisis in its own right, the air cleanup caused by economic downturns could partly explain the reduction in deaths caused by respiratory and cardiovascular disease.

Less work also means fewer workplace injuries and more leisure time, which possibly leads to more exercise, more home cooking, and less money for booze and cigarettes.

This cheerful news hides a dark underbelly. While many people experience reduced stress, less risk of accidents, and lower disease burden as a result of economic downturns, others are still hit hard. Mental health deteriorates. Binge drinking booms. For some, stress-related conditions increase, and in the US, healthcare may become impossible to access for many. Suicide rates do seem to increase as a result of recessions—although both suicides and opioid-related deaths in the US have continued to increase even as the economy has recovered, and other factors play a role.

It's a complex picture. In some arenas, mortality rates decrease; in others, they rise. Based on historical patterns, the health benefits appear to outweigh the costs in terms of sheer numbers of deaths. Of course, this doesn't mean that the abject misery of the people left behind can be forgotten. If the bright side of health in a recession is accompanied by austerity policies and a widening of health inequalities, it isn't much of a bright side at all.

Policy choices

The evidence also suggests that these consequences aren't set in stone. In an analysis of mortality in 23 EU countries following the Great Recession, researchers found that increased levels of unemployment correlated with lower overall deaths but increased suicides. That increase was worse in countries with less of a social safety net, like Bulgaria,

compared to countries with a strong one, like Germany. At the same time, the mortality benefits were also bigger in countries like Bulgaria, suggesting that there was less of a response overall in countries like Germany.

“Social protection expenditures appear to help countries ‘smooth’ the health response to a recession,” the authors write. Meanwhile, lower- or middle-income countries may have an entirely different calculus—evidence from Brazil suggests an increase in mortality after an economic crash in 2014-16 but also that the increasing mortality was mitigated by health expenditure.

The question of mortality during recessions is a phenomenally complex one. The causal relationships are thorny, the data is often messy, and the possible avenues of investigation are plentiful. But the complicated emerging picture can say one thing clearly: it’s not accurate to claim with any certainty that recessions lead to a loss of life. The dilemma facing us is not “lives versus economy,” and neither is it “lives versus lives.”

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