Health is wealth, and health is everybody's business

Good afternoon, ladies and gentlemen and honoured guests,

I would very much like to thank the European Policy Centre for this opportunity to address you today and for conducting this important dialogue. I hope today's session serves to encourage a broader, more frequent discussion of the role of health in public policy and economic well-being.

A major shift in thinking is happening on this front: Public health advocates and many policy-makers are coming to see the wide implications of health on society's well-being. Public polls show too, that the general public places health high on its priorities and concerns, and as a result policy development at all levels is increasingly reflecting that reality.

Because health is everybody's business. As a health economist by profession myself, I know that an economy is only as strong and healthy as its citizens, and a healthy population is obviously best positioned to be productive. Health, as you have noted, is very certainly a key source of wealth.

Equally true however is the reverse of that statement: poverty is the leading cause of ill health, and ill health is a key driver of poverty. If people are to be healthy, their economic status, as well as that of their communities and countries, must be addressed through public policy.

The public health imperative:

The mandate of WHO is 'health for all', and we believe that is a policy imperative in its own right. My area of responsibility at WHO covers chronic diseases: heart disease, stroke, cancer, diabetes and a range of others. This is of great relevance here as they are taking the greatest, and rising toll of all diseases in Europe.
In the WHO European region, in fact, chronic diseases are by far the leading cause of death. They accounted for 86% of all deaths in 2005. Furthermore, we project that 88 million Europeans could die of these chronic diseases over the next ten years.

These diseases are not, as often thought, suffered only by wealthy males in developed countries. Women are dying at very much the same rates as men, and the poor in all societies are more likely to develop these illnesses, suffer longer from them, and die at earlier ages. Certainly Europe and the developed world is badly hit, but in fact fully 80% of deaths from chronic diseases are occurring in low and middle income countries.

The implications of this staggering burden of disease and death for the well-being of society are self-evident - the impact on people's lives, their families, their communities.

The economic perspective:

But policy and decision-makers often demand to see the economic impact: what's the bottom line?

Here too the argument is strong: Chronic diseases have direct and indirect impacts on national economies, communities, health systems and at the household level. For example, they reduce the quantity and quality of labour, and medical costs deplete people's savings and reduce investments.

The direct cost of health-care resources and medical services consumed in treating chronic diseases are enormous: a U.S. estimate in 2002 of the costs of treating heart disease alone was over 350 billion dollars annually, and rising rapidly each year.

Indirect costs are a bit more tricky to estimate, but WHO's recent report, Preventing Chronic Disease: a vital investment, took a very conservative approach to calculating the direct and indirect costs to selected economies. The conclusion: in 2005, the estimated losses in national income from heart disease, stroke and diabetes alone were: 18 billion dollars in China - 11 billion in the Russian Federation - and 1.6 billion in the UK. The impact on GDP in Russia is currently 1 percent, but projected to rise to 5% by 2015.

Underlying risk factors - where public health and economics converge:
There are a number of well-known preventable and common risk factors for these chronic diseases, however: obesity, lack of exercise and the use of tobacco and alcohol being the leading ones.

You don't need the World Health Organization to point out that overweight and obesity rates are rising in the European Region. 400 million adults are overweight, and 130 million - or about one-third - are obese. And the trend is going up steadily. It has been called one of Europe's greatest public health challenges of the 21st century.

The economic impact of weight problems is mounting, too. The recent European Commission Green Paper on Promoting Healthy Diets and physical activity estimates that obesity accounts for up to 7 percent of national health care costs, and that is set to rise along with obesity rates. It further quotes a 2001 UK audit which calculated that obesity cost 18 million days of work absence.

Another EC-commissioned report by the Institute of Alcohol Studies puts the economic costs of alcohol at 125 billion dollars per year, and responsible for 7 percent of all ill-health and premature death. Alarmingly, alcohol is the cause of one quarter of all deaths in young men between the ages of 15 and 29. EU estimates 650 thousand smoking-related deaths per year across the region. Almost half of these deaths are of persons aged between 35 and 69 – well below the average life expectancy. It doesn't take an economist to point out the economic impact of that statistic.

The less visible risk factors, what are known as 'social determinants of health', present a challenge which is no less compelling. Poverty and inequality are major risk factors for ill-health. The recently released report, Health Inequalities: Europe in Profile, commissioned by the UK during its presidency, concludes all European countries face substantial inequalities in health within their populations. Those with low socio-economic status consistently die younger - as much as 10 years sooner in some cases, and nearly half are from heart disease. Evidence points to higher smoking and obesity rates in this group as the cause. Youth, the report notes, are particularly vulnerable and in need of specific attention.
All these risk factors for disease are mirrored and amplified outside the EU as well. Globalization has lead to the opening of markets certainly, but also to the spread of what were once seen as risk factors associated with the western or developed world. The use of tobacco and alcohol are expanding in nearly every region of the world, while poor nutrition replaces malnutrition through easy available and cheap processed foods. Social determinants of health are a globalization and development issue as well as an EU concern.

Many statistics and much evidence to conclude that health impacts the economy and vice versa. There are implications for competitiveness, economic gains and productivity.

**Prevention is key to good public policy as well as sound economics:**

But does this have to be the outlook? No, in fact. Tools exist to turn this situation around quickly and effectively and they are, in large part, also very cost-effective:

- We know, for example, that increasing physical activity and consumption of fruits and vegetables in populations can have major health impacts.
- We are already seeing the benefits of tobacco policies such as smoke-free public places. Ireland's success, for example, is touted widely - I have often heard it said "If it can be done in Irish pubs, it can be done anywhere."
- The simple act of increasing tobacco taxes, and those on alcohol as well, is one of the most efficient and effective ways of lowering consumption - and the contribution to the national coffers is a huge benefit as well.

WHO is working on all these fronts with policies, guidelines and support to governments, as is the EU. Our work, in fact, is often coordinated: Our Global Strategy on Diet, Physical Activity and Health, for example, is paralleled by the EU's Platform on Healthy diets and physical activity.

WHO is pleased that many EU countries have developed and are implementing their own diet and physical activity strategies. Additionally next
November, WHO holds a ministerial conference on obesity in Turkey which will put the spotlight on this major health issue for the region.

The WHO Framework Convention on Tobacco Control similarly is strongly supported by the EU members and being implemented in many countries. On alcohol, WHO has begun consultations globally and regionally with the aim of developing guidance on lessening the harmful effects of alcohol use. This is largely at the urging of EU countries, and follows similar processes within a number of EU member states.

And so we have, or are developing, a range of responses to address and prevent these key risk factors globally, regionally, nationally and locally. What is needed is the will and resources to implement, however. A recent OECD report concludes that its members spend only 3 percent of their healthcare budget on prevention and public health. Even a small increase in that percentage could yield tremendous health and economic benefits.

**Successful prevention needs multisectoral action and health in all policies:**

The challenge is, however, that these solutions must come from, and be implemented by, a wide range of actors, many of which are outside the health sector.

For example, we will be hard-pressed to change consumption of high-fat foods and alcohol if the private sector is not engaged and active. We cannot improve the availability of fruits and vegetables without the help of the agriculture sector. We'll be unable to increase people's physical activity without cooperation from transport policymakers and urban planners.

A recent joint WHO and Food and Agriculture Organization meeting tackled just this issue: How can agriculture and trade policy contribute to healthy diets? Policy-makers from Europe gathered in Rome in May to discuss, and concluded that how food is produced, from growth to processing and distribution, influences the choices people are presented with, and ultimately make.

And yet, policies are too often at odds with each other, and competing economic interests crowd out the public health imperatives.
We are seeing, however, some important initiatives in Europe that point the way forward. European initiatives on healthy transport modes, for example, support walking, cycling and using public transportation as a way to keep fit and reduce environmental impact and risk.

The best way, in fact, to ensure improved health is to put health at the core of all policies in all sectors. I am pleased to see the upcoming Finnish presidency promoting the idea of mainstreaming "health in all policies" as a key concept for their health priorities. This, combined with the important initiative of the current Austrian presidency to address chronic diseases will serve to make an important contribution to addressing this growing epidemic.

**Call to action: Health is everybody's business:**

Because for the EU, facing challenges of an ageing population and rising chronic diseases, the question is not *whether* to address health but *how*.

If the Lisbon Strategy on European competitiveness, for instance, is to be successful, there is no question that a healthy productive population, with low national healthcare costs, is going to be crucial.

And externally, for security and equity to be furthered in this globalized environment, health must be mainstreamed in foreign policy and in development initiatives and funding.

The World Health Organization's vision is of prevention and control of disease, leading to healthier people and populations, resulting in stronger, more competitive and productive societies and economies: In other words, achieving our mission of 'health for all', will be greatly furthered through the Finnish presidency's aim of 'health in all policies'.

These two visions can be achieved if the concept of mainstreaming health at all levels of policy development and across all sectors is kept in focus. Because ultimately health is the business of us all.

I thank you for this opportunity, and look forward now to our discussions.