

HEALTH EFFECTS OF NEW RIGHT POLICIES

Dennis Raphael

Across a wide range of social and economic indicators, the United States performs much more poorly than other industrialized countries, Canada included. Many observers argue that the root cause of its poor performance is its greater inequality of income and wealth. Since 1994, inequality has been rising in Canada. Do Canadians really want to reinforce this trend by adopting New Right policies?

Sur un grand nombre d'indicateurs socioéconomiques, les États-Unis font piètre figure en comparaison d'autres pays industrialisés, y compris le Canada. Bien des analystes attribuent principalement cette piètre performance à la grande inégalité que l'on observe aux États-Unis en matière de revenu et de richesse. Or, ce type d'inégalité ne fait que croître au Canada depuis 1994. Les Canadiens tiennent-ils vraiment à renforcer cette tendance, en adoptant les politiques de la nouvelle droite ?

In *Hard Right Turn: The New Face of Neo-Conservatism in Canada*, political scientist Brooke Jeffrey argues that Premiers Ralph Klein and Mike Harris and Alliance leader Stockwell Day share a wish to move Canada closer to the economic and social policies of the United States. From a population health perspective, what could Canadians expect if this were to occur?

An increasing volume of policy and health research suggests that New Right policies would create greater economic inequality among Canadians and that this would translate into poorer population health. Poorer health would result because economic inequality creates poverty, weakens social structures that support health, such as social and community services, and decreases social cohesion. In fact these findings are so consistent that the *British Medical Journal* recently editorialized: "What matters in determining mortality and health in a society is less the overall wealth of that society and more how evenly wealth is distributed. The more equally wealth is distributed the better the health of that society."

Is there any evidence that the greater economic inequality seen in the United States—the policy model for an increasing number of politicians, of whom Tom Long is only the most outspoken—is associated with a greater incidence of poverty and poor health?

Despite spending a greater percentage of GDP (13.5 per cent) on health care than any other industrialized nation,

the United States fares poorly in international health status comparisons. As health policy experts G. Anderson and J. Poullier have put it: "For nearly all available outcome measures, the United States ranked near the bottom of the OECD countries in 1996, and the rate of improvement for most of the indicators has been slower than the median OECD country." Among the 29 OECD nations, the US ranked 19th in life expectancy for females and 22nd for males. The World Health Organization recently calculated "Healthy Life Expectancy" among 139 nations and the US placed 24th. The reasons given for this low ranking included the very poor health status of native Americans, rural African-Americans, and the inner-city poor. The US also has very high levels of cancers related to tobacco use, and high rates of coronary heart disease and violence, especially homicide, when compared to other industrialized nations.

For the past 12 years the US-based Fordham Institute for Innovation in Social Policy has reported overall US and state scores on an Index of Social Health consisting of 16 indicators of health and well-being. Overall scores on the Index have been declining in the United States since the mid 1970s even as GDP has increased. From 1970-1996, indicators worsened for child abuse, child poverty, teenage suicide, the number of Americans without health care insurance, average weekly wages, inequality, and violent crime. As Canadian public policy has moved towards a US/market, rather than western European/social welfare

Table 1
Rankings among industrialized countries
The US, Canada, and Sweden

Measure	(Ranking 1 is best)		
	USA	Canada	Sweden
Income inequality (1990)	18 of 18	11	3
Child Poverty (1990)	17 of 17	14	2
Infant mortality (1996)	24 of 29	17	2
Youth suicide (1992-1995)	15 of 22	16	10
High school drop-outs (1996)	17 of 17	16	10
Youth homicide (1992-1995)	22 of 22	19	5
Wages (1996)	13 of 23	15	6
Unemployment (1996)	2 of 10	7	8
Elderly poverty (1990)	15 of 17	4	5
Life expectancy (1996)	20 of 29	4	3

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orientation, our scores on this index have been declining as well.

Comparisons of US social indicators with those of other nations are particularly illuminating (see Table 1). Except for unemployment rates, the US compares very unfavorably to other industrialized nations. (While Canada's youth homicide ranking is close to that in the US, the actual figures are 43/100,000 for the US and 5/100,000 for Canada. The closest nation to the US is Northern Ireland, with a rate of 22/100,000. Older Canadians considering supporting the Alliance should take note of the rankings on elderly living in poverty.)

In addition to having the greatest incidence of child poverty, the US spends a smaller percentage of its GDP on social services and supports than most OECD nations. The result is that, as international health analyst T. Smeeding has written: "American low-income families are at a distinct disadvantage compared with similarly situated families in other nations."

It has increasingly been argued that economic inequality is the key factor driving many of the health-related differences across countries. The US has witnessed an unprecedented increase in income and wealth inequality in the past two decades. Former Secretary of Labor Robert Reich observes: "Almost two decades ago, inequality of income, wealth, and opportunity in the United States began to widen, and today the gap is greater than at any time in living memory. All the rungs on the economic ladder are farther apart than they were a generation ago and the space begins them continues to spread." A recent report concluded: "More US children are in deep

poverty than in [Canada and the UK]... the income disparities between the rich and poor and near poor are much larger in the United States ..." Indeed, a recent study in the *British Medical Journal* found that Canadian mortality rates were strikingly lower than those in the US—as was the degree of economic inequality.

But that was in 1991; the most recent Canadian figures indicate that by 1998, Canadian income inequality had continued an increase begun in 1994. Bruce Little of the *Globe and Mail* concludes: "Market forces are the main reason ... But there's little question that changing government policies after 1994 played a role as well."

All of these trends have led one US observer, Peter Montague, editor of *Rachel's Environment & Health Weekly*, to comment:

In the US, government policies of the past 20 years have promoted, encouraged and celebrated inequality. These are choices that we, as a society, have made. Now one half of our society is afraid of the other half, and the gap between us is expanding. Our health is not the only thing in danger. They that sow the wind shall reap the whirlwind.

Few social or policy analysts—left or right—dispute the view that many New Right proposals such as the flat income tax would serve to further increase economic inequality. Considering the accumulating literature concerning the health effects of such policy changes, Canadians at all levels of income and wealth need to ask: Is this the future we want?

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