

Chapter Three

Health, Education, Poverty, and the Economy



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Health, Education, Productivity, and Poverty

Health and Education

- Health and education of parents affects health and education of children
- Malnutrition and disease affect cognitive development
- Education contributes to disease prevention



Health, Education, Productivity and Poverty

Health Productivity and Earnings

- Good health increases longevity, lifetime earnings
- Healthy workers are more productive than unhealthy workers



Health, Education, Productivity, and Poverty

Health, the Costs of Illness, and Poverty

- Costs of health care are high
- Illness often leads to a decrease in earnings



Health and Equity

Equity Across Countries

- Enormous variance in basic indicators of health across countries
- Largely, but not completely varies by income



Health and Equity

Equity Within Countries

- Some countries have substantial variation in health indicators across population groups
- Tend to be low- and middle-income countries or high-income countries with significant ethnic minorities



Health and Equity

Equity and Location

- Urban dwellers tend to enjoy better health status, coverage, and access to services than rural dwellers
- Rural people tend to have lower incomes, less education, less access to services, and weaker political voice



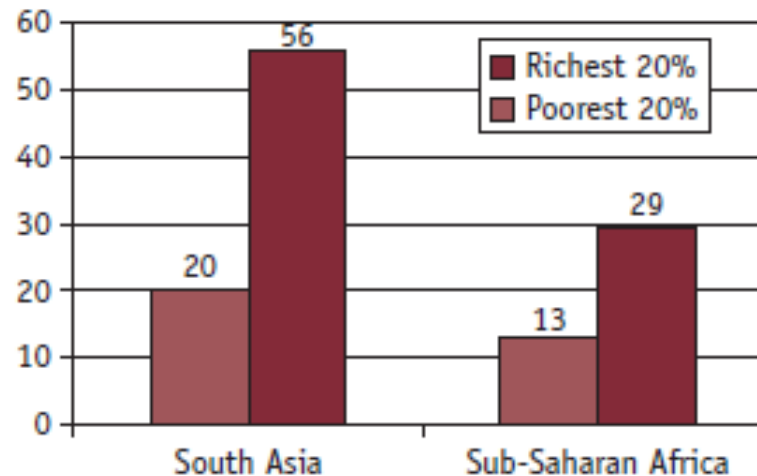
Health and Equity

Equity and Income

- Large gap in access, coverage, fairness, and benefits between less well off and better off
- Illustrated by Figure 3-7 which shows percentage of underweight children by income group in South Asia and sub-Saharan Africa

Figure 3.7: Percentage of Underweight Children 0-5 Years of Age, by Income Quintile, Selected Regions

FIGURE 3-7 Percentage of Underweight Children, 0 to 5 Years of Age, by Income Quintile, Selected Regions



Source: Data from UNICEF. Progress for Children: Achieving the MDGs with Equity. Available at: http://www.unicef.org/media/files/Progress_for_Children-No.9_EN_081710.pdf. Accessed September 17, 2010.

Health and Equity

Equity and Gender

- “Being born female is dangerous to your health”
- Women face health concerns related to their diminished place in many societies
- Examples: female infanticide, less food for female children, lower enrollment in school, violence against women



Health and Equity

Equity and Ethnicity

- Strong association between ethnicity and health status, access, and coverage
- Linked to strong association between ethnicity and power, education, and income



Health and Equity

Equity and Financial Fairness

- Substantial out-of-pocket costs for poor in low-income countries
- Benefit of public subsidies often received by better off people



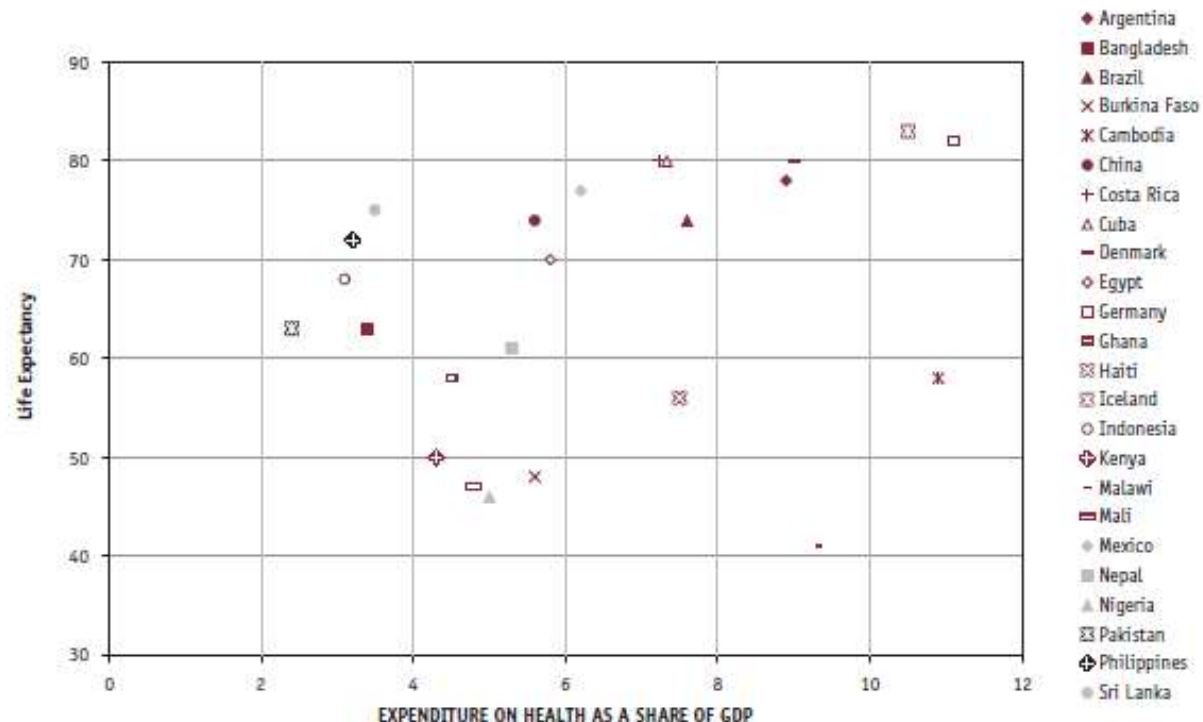
Health Expenditure and Health Outcomes

- Most high-income countries spend 9-12% of GDP and have higher life expectancies
- Most low-income countries spend 3-6% of GDP and have lower life expectancies
- Important outliers like Sri Lanka and Cuba spend relatively little, but achieve higher life expectancies



Figure 3.12: Expenditure on Health as Share of GDP

FIGURE 3-12 Expenditure on Health as a Share of GDP, Compared to Life Expectancy, Selected Countries, 2003/2004



Source: Data from World Health Organization. Core Health Indicators, 2006. Available at: http://www3.who.int/whosis/core/core_select_process.cfm. Accessed July 18, 2006.

Public and Private Expenditure on Health

- Public Expenditure: expenditure by any level of government or government agency
- Private Expenditure: expenditure by sources other than the government such as a non-governmental organization
- Out-of-Pocket Expenditure: expenditure by individuals that is not covered or reimbursed by an insurance program



The Cost Effectiveness of Health Interventions

- Compares cost of an intervention with the amount of health that can be purchased with that investment
- Compares alternative approaches to achieving a specific goal/intervention, such as TB drug therapy
- Compares different interventions to assist investment choices
- Can help to set priorities among different ways of achieving a health goal



Health and Development

- Good health promotes economic development
- Higher levels of economic development also promote better health, but not quickly enough
- Therefore, low- and middle-income countries must adopt policies that speed achievement of health goals, even with constrained incomes
- How can they do this as fast as possible, and at the least possible cost?

