

The impact of the financial and economic crisis on the mental health of citizens and the reactions from Governmental and other mental health experts

Results from a mini ad hoc survey among mental health experts in Member States

Context and questions

The survey was undertaken to collect input from experts in Member States to a Round Table event which will take place in Brussels on 27 April 2009 on “Reducing the psychosocial impact of the financial and economic crisis”. The event will be hosted by Commissioner Androulla Vassiliou. In order to prepare this event, two questions were sent to Governmental experts for mental health in capitals and to Health Attachées in Permanent Representations:

- 1) Do you observe in your country on the level of mental health and well-being in the population, and which form would that take?
- 2) If the answer to 1 is “yes”, how does your Government and how do perhaps other actors in your country act to mitigate the negative mental health impact of the crisis (might these activities be worth highlighting them at the Round Table)?

The responses

Experts from eleven Member States replied to the questions.

It is too early to see an impact of the crisis on mental health and well-being, but ...

Most experts say it is too early to see consequences of the crisis on mental health and well-being in the population.

However, experts from few Member States did report a certain impact:

The expert from Czech Republic reported “so far only a minor impact”. This is the only response which refers to hospital data. It does not observe a rise in admissions but among patients some “nervousness and vigilance regarding the crisis”.

Bulgaria judges that the impact observed in this country is, so far, lower than in the “West”.

And very concrete observations came from Latvia where the expert reported:

"(...) a negative impact of the crisis on the level of mental health is obvious. But we assume that the real impact can not yet be seen completely".

In Latvia, an increase by 15 % in suicide and a 1.5 times higher number of first lifetime diagnoses of certain mental disorders was reported for 2008 compared to 2007 (see annex).

...at the same time there is much expectation that the impact of the crisis on mental health and well-being in the population is only a matter of time

Although besides the expert from Latvia only those of few other MS were able to already observe a negative impact of the financial/economic crisis on mental health, many of them were very clear about that they expect such consequences in the longer term.

- The expert from Belgium reported that it does foresee that certain statistics, e.g. on suicide and depression, will augment.
- The Finnish expert responded: "we know from the experience of the previous recession that some of the consequences for well-being of the population come in the long run".
- The expert from The Netherlands expressed his suspicion that "the economic situation can have a negative effect (materially and mentally) on certain people (...). **We do believe it is only a question of time.**"
- The expert from Norway provided **reflections about evidence suggesting several ways of negative health impact of unemployment** (reduced life expectancy, cardiovascular diseases, anxiety and depression, alcohol consumption), while the impact on suicide would remain unclear (see annex).

A few responses referred to the impact of the crisis on rehabilitation:

The Austrian expert mentioned:

"In earlier periods of economic depression we experienced that vocational integration is more difficult for those with mental disorders."

Similarly, the response coming from the Czech Republic observed fewer opportunities for part time jobs in vocational rehabilitation programs.

It can be assumed that such consequences are linked to cuts in funding:

The response of the Finnish expert described the mechanism in this country clearly:

"The economic situation of many municipalities has weakened and they have already started to cut down the costs of health and social services in the same way as during the last recession. This means e.g. that the municipalities decrease the amount of resources used for promotion and prevention, employ less personnel for services, increase the size of groups in child care services and schools and decrease the use of preventive supplementary benefit. Since health promotion is not obligatory for the municipalities, it is usually the first thing that they will save in. **Even though these changes might be small, together they will cause a lot of costs later.**"

As regards the **second question** about action taken by Governments or plans for actions to mitigate the psychosocial consequences of the crisis, only very few initiatives were mentioned:

The Latvian expert reported:

"Ministry of Health of the Republic of Latvia is working on an implementation action plan of strategy „Improvement of mental health of the population in 2009-2014.” The main idea of this plan is to develop community-based mental health care, improve the quality of diagnostics of mental disorders and care of patients with mental disorders (for example, mental illness education programs for general practitioners) as well as, to decrease stigma in the society (for example, mental illness education programs for those working in an educational and social field)."

The response coming from Switzerland announced a wish to request more funding for transregional networks.

In Finland, the Government is performing a mid term review. It puts more emphasis on economic in general and especially in securing employment. In the health and social services the emphasis is put on developing the services. The Government also has a specific goal to decrease mental health problems in the population by implementing the new mental health and substance abuse plan.

Conclusions from the survey:

The survey showed that, at this stage, experts from only very few Member States (with Latvia as the clearest case) were able to report an impact of the crisis on mental health and well-being in the population.

However, experts from several Member States expressed their view that such an impact is only a matter of time.

The various negative health consequences of unemployment were mentioned and the impact on children and families. Budget reductions for health promotion and for vocational rehabilitation were mentioned.

So far, Governments are not foreseeing responses to these expectations. The most active Member States seem to be Latvia and Finland, where an implementation action plan (Latvia) and a midterm review (Finland) create a context into which action to mitigate the mental health effect of the crisis can be integrated.

At the same time, if there is more or less a consensus that a negative impact of the crisis on mental health and well-being can be expected in longer term, it should be the right time to begin with reflections about possible responses.

Annex 1: Response from Latvia (mail of 10.3.09 by Ms Agnese Raboviča, Agnese.Rabovica@vm.gov.lv)

herewith please find below our answers to the questions you have indicated:

1) Do you observe in your country a negative impact of the crisis on the level of mental health and well-being in the population, and which form would that take?

The signs which could prove the negative impact of the crisis on the level of mental health in the population are number of suicide cases, number of persons who have been diagnosed specific mental disease first time in a lifetime etc. Number of suicide cases in Latvia in 2008 has increased by 15% in comparison with 2007. As shown in the table, in 2008 the number of diseases (F41.2-F41.3) diagnosed first time in a lifetime have increased 1,5 times in comparison with 2006. There are signs in society that the problem of drug use is increasing, too.

Data represents, that a negative impact of the crisis on the level of mental health is obvious. But we assume that the real impact can not yet be seen completely.

Diagnose (ICD10)	2006		2007		2008	
	Total number	per 100 000 population	Total number	per 100 000 population	Total number	per 100 000 population
F32.0-F32.9	189	8,26	180	7,9	189	8,3
F38.0-F38.8	4	0,17	1	0,04	4	0,17
F41.2-F41.3	53	2,31	61	2,68	77	3,38
F62.0	0	0	1	0,04	0	0

Data source: Health Statistics and Medical Technologies State Agency

2) If the answer to 1 is "yes", how does your Government and how do perhaps other actors in your country act to mitigate the negative mental health impact of the crisis (might these activities be worth highlighting them at the round table)?

Ministry of Health of the Republic of Latvia is working on an implementation action plan of strategy „Improvement of mental health of the population in 2009-2014.” The main idea of this plan is to develop community-based mental health care, improve the quality of diagnostics of mental disorders and care of patients with mental disorders (for example, mental illness education programs for general practitioners) as well as, to decrease stigma in the society (for example, mental illness education programs for those working in an educational and social field).

Annex 2: Response from Finland (message of 8 March 2009 by Prof Eija Stengård, eija.stengard@thl.fi)

Thank you for the opportunity to comment on this important issues. I discussed the questions with several experts in the field and we came up with the following points to your questions.

- 1) Do you observe in your country a negative impact of the crisis on the level of mental health and well-being in the population, and which for would that take?

The negative impact of the economical crisis has not yet increased the need for mental health services. However, we know from the experience of the previous recession that some of the consequences for well-being of the population come in the long run. Especially the families with children will need more support services in future, because difficult and prolonged economical situation will affect the parenting abilities of the parents. The problems in parenting will affect the well-being of the children and might cause e.g. problems in school.

Even though we are not able to see the consequences on the well-being of the population yet, there are clear changes in the structures and resources of services in the municipalities. The economic situation of many municipalities has weakened and they have already started to cut down the costs of health and social services in the same way as during the last recession. This means e.g. that the municipalities decrease the amount of resources used for promotion and prevention, employ less personnel for services, increase the size of groups in child care services and schools and decrease the use of preventive supplementary benefit. Since health promotion is not obligatory for the municipalities, it is usually the first thing that they will save in. Even though these changes might be small, together they will cause a lot of costs later.

- 2) Does your Government and how do perhaps other actors in your country act to mitigate the negative mental health impact on the crisis?

The Government has just launched their mid-term policy review (see attachment). There is now more emphasis on economics in general and especially in securing the employment with several actions. In the health and social services the emphasis is on developing of the services (both the structures and the activities). The Government also has a specific goal to decrease mental health problems in the population by implementing the new mental health and substance abuse plan. There are also plans to promote positive development in children and youth.

Annex 3: Reflections on "Unemployment and health" from Norway (message of 10 March 2009 by Mr Thor Rogan, Thor.Rogan@hod.dep.no)

Financial crisis and mental health

Vi har lite dokumentert kunnskap her – men følgende har vi fått fra FHI:

*Unemployment hits disproportionately, depending on social status. People with low education and low income are affected more often than people with high income and higher education. This is also the case in Norway. There is a strong and unconditional correlation between unemployment and **health**. Moreover, it is indisputable that unemployment leads to an increased pressure on the primary health services, as demonstrated in several countries.*

Unemployment kills- especially middle-aged men. Reduced life expectancy, independent of cause of death, has been found in Britain, Italy, Finland and Denmark. Similar conclusions

can be found in studies adjusted for the fact that chronically ill people to a greater extent tend to be unemployed, compared to those that are not ill in the first place. According to a British study, even the female partners of unemployed men are affected negatively, and die earlier than men who have not been hit by unemployment. Several studies underline how long-term unemployment can be more harmful than short-time unemployment. In Norway's neighbouring country, Finland, it has been proven that the risk of passing away too early increases parallel to the duration of the unemployment from one till 12 months.

The number of deaths caused by **cardiovascular diseases** increases due to unemployment in both Sweden, Denmark, Finland, Britain, Scotland, Wales, Germany, France, Australia, Canada and the US. The majority of studies are adjusted for the most alternative explanatory causes. According to findings from Sweden, Germany, France and Canada, unemployment increases the risk of **cerebral infarction**. Even the mere threat of unemployment impacts negatively on health. In Sweden, one has found that the risk of being unemployed increases well-known risk factors for cardiovascular diseases, such as high blood pressure, high LDL cholesterol and triglycerides. Sleeping problems is yet another consequence, a stress indicator increasing the risk of a series of sufferings. The study in question was adjusted for alternative explanations.

The effect of unemployment on **suicide** is not clear. A proven correlation between unemployment and suicide has been found in the US, Canada, France and Australia. However, in countries similar to Norway, where there is a lower rate of suicide and well-established social security systems, such as in Sweden, Germany and Japan, no correlation has yet been found. In any case, it might be useful to distinguish between different types of suicide. For instance, it could be that the rate of suicide among people having no mental disorder, is more responsive to changes in cyclical movements compared to suicide among people having a known mental disorder.

Unemployment causes several mental disorders- especially anxiety and depression. This is true in the cases of Denmark, Canada and the US. A twenty-year-old Norwegian study (Westin, Norum, Schlesselman, 1988) points in the same direction. As previously mentioned, the spouse of the unemployed also risks to have a mental disorder- at least in Canada (adjusted for differences in income and the level of education). We assume that the relation between unemployment and mental disorders is affected by three mechanisms. Firstly, work in the 21st century is one of our most important sources to a social and meaningful life, and self-confidence. If we are deprived of our job, this threatens our sense of a meaningful existence and our self-esteem- and it alienates us from our daily social life. The first to be alienated, are those who have had most difficulty entering the labour market- those who already had mental disorders. In times of depression, they are marginalised. Due to the same reasons- loss of meaning, self-confidence and a social life- unemployment itself represents a risk as regards developing anxiety, depression and sleeping problems. Furthermore, according to studies carried out by the Norwegian Institute of Public Health, an economic crisis represents an independent risk factor for mental health disorders. American and Canadian studies tend to conclude that unemployment leads to more hospitalisation in mental health care for serious mental disorders (psychosis). However, it is uncertain whether this also applies in the case of Norway. Among the Nordic countries, Norway remains the only country without an operative patient registry, making it difficult to answer this type of question. Canadian statistics suggest that unemployment also affects the hospitalisation policy within the Canadian mental health system.

As regards unemployment and alcohol consumption, there are two relevant predictions. One prediction is that unemployment leads to a decrease in consumption because people are badly off, and because unemployment often hits those who consume the least to begin with. Another prediction suggests the opposite, that unemployment increases alcohol consumption, because people have difficulties coping with the situation, and parallel to this, they also have more spare time. In a wealthy country like Norway, built on a sound social security system, it is not unlikely that the latter effect overrules the former. It remains to be seen.

Unemployment affects both mental and physical health. Both individuals and families are concerned, as well as the population in general. For the society as a whole, unemployment is one of the most costly consequences deriving from a depression. What should be done in order to avoid unemployment leading to an explosive increase in personal suffering and health expenditure? There are three ways to proceed: 1. Keep people employed- give them meaningful work. The Ministry of Finance can be regarded as the most important force in terms of health promotion and prevention of mental disorders. 2. The Labour and Welfare Administration (NAV). 3. The municipalities.

Annex 4 (Message of 25 March of Dr Elizabeta Radonic):

SHORT OPINION ON THE
PSYCHOSOCIAL IMPACT OF THE ECONOMIC CRISIS

CROATIA
2009

Dear Sirs,

It is very difficult to give an evidence-based opinion on the psychosocial impact of the global economic crisis in Croatia since most of the relevant indicators are not yet available. Therefore, this opinion is based on my personal observations and information.

Firstly, it seems that the economic crisis is affecting Croatia a bit more slowly than many other European countries. This might be partly due to a lesser first impact on the banking sector that is generally attributed to timely interventions of the Croatian National Bank (the CNB Governor Rohatinski has been proclaimed Best Central Banker of the Year Global and Europe by the Banker magazine based on the series of these measures). Still, there are many other threats to the financial sector to be overcome. Then, there is the question of the structure of Croatian economy which is more service oriented, so huge loss of jobs has not yet happened. General comments so far are that the food industry and sales are mostly affected in Croatia. Car and property sales rates have dropped. There is also great concern about the forthcoming tourist season which is on the national level important in terms of solvency, and on the more individual level the basis of financial existence for people in many Croatian regions. This might be a good point in text to stress the importance of cultural implications and mentality, because for many people in Croatia it is important to keep the level of personal expenditure rather than to make long term investments. A good example might be that ski-arrangements sales rate has not dropped this season.

Unemployment is rising slowly, but the results of a recent internet survey (by a relevant job market portal) show that 58% of the responders are afraid of the consequences that the crisis might have on their jobs, 29% don't have an opinion, and 13% are not afraid. It is interesting

to mention that many participants of such surveys have an impression that employers often use crisis as an excuse for their bad practice or previous intentions to cut the workforce.

In the everyday medical practice, most of my colleagues have observed a slight raise in stress-related disorders, mainly within the medium and senior management population which might be partially due to their higher involvement in global economic processes. This raise was also observed within the population of small entrepreneurs, especially the ones that were facing difficulties even before the crisis began. When anticipating possible effects of the crisis on other population groups, I find it very important to bear in mind that job and financial uncertainty is something they have constantly been facing over the past decade due to economic and social transition processes in Croatia. Not so long ago, notably some 15 years ago, many people were facing even greater challenges for their safety and well-being, as the war was still ongoing in our country. These factors might lessen the perception of the level of change that current crisis is bringing into their lives.

As for budgetary issues, a general budget cut-down is inevitable and it is to be expected that it will affect health care sector as well. The proposition by the Government is expected within the next few weeks. In terms of mental health budget, it is a good thing that mental health in Croatia is neither traditionally nor formally separated from physical health. It is therefore expected that reduced funding will not disproportionately affect mental health sector. In the meantime, all projects and activities in the field of mental health promotion and protection are being continued. Due to transition and post-war risk factors, some of these activities have already focused on psychosocial stress and related issues, and no specific health care sector measures concerning the impact of the actual crisis have as yet been discussed. Whether or not mental health and well-being will be more seriously challenged in Croatia at present seems to depend mostly on the (unpredictable) duration of crisis, type of socio-economic interventions that will be undertaken, and (soon to be known) decrease in protective measures funding.

Hoping that some of these reflections will be helpful in preparing the round table event, with best regards from Zagreb,

Dr. Elizabeta Radonic

1) Do you observe in your country a negative impact of the crisis on the level of mental health and well-being in the population, and which for would that take?

2) Does your Government and how do perhaps other actors in your country act to mitigate the negative mental health impact on the crisis?

DE	So far we have no findings that the current financial and economic crisis has a negative impact on mental health in Germany. To answer that question in a serious way, it would be essential to analyse data concerning demands on medical or psychotherapeutic help, rates of suicide etc. We do not plan such a specific study at the moment because of other activities of priority. Furthermore such an investigation would be very complex because the useful data (opf hospitals, GP's etc.) are not easily to receive in an aedequate time.
BG	<ol style="list-style-type: none"> 1. So far Bulgaria experiences less negative effects of the crisis compared with the developed countries in Western Europe. Nevertheless, the common expectations are that in the long run the crisis will be as deep as abroad, if not deeper. Normally this situation provokes anxiety among the population, which is difficult to be detected objectively. 2. In the same time, there are symptoms that something happens with the mental health of the population presented mainly in a form of increased number of committed suicides. Unfortunately this information is coming mainly from the media and it is not proved officially. There are news in the media about suicides related with failures in the business, but the official statistic does not reflect that because of the short period of observation. 3. Regarding the governmental reaction - there are no some specific measures taken so far apart from the regular activities related with the mental health reform (which as it is well known, are not satisfactory). <p>I am afraid, for the time being I could not provide you with more specific information on that issue .</p>
BE	We believe it is too early to see the total impact of the crisis on the level of mental health and well-being in the population. In any case, it is too early to be able to give any specific data. We do foresee that certain statistics, e.g. on suicide and depression, will augment, but at this moment it is too early to draw any conclusions or to see certain trends.
CH	<p>im Moment können dazu keinen Beitrag leisten, evt. im Juni 09</p> <p>Das Ergebnis des Tages würde mich allerdings sehr interessieren. Wir möchten für die überregionalen Bündnisse aufgrund</p>

	der Krise mehr finanzielle Mittel beantragen.
CZ	<p>We have gained some results from our observation concerning your questions. So we can summarize our experiences from three mental health facilities (university psychiatric clinic, two out-patients facilities being combined with psychiatric rehabilitation services):</p> <p>ad 1) Till this time we can observe only minor impact of the crisis on the level of mental health. There is no increase in a number of admissions in in-patient care due to crisis. But the impact of the crisis is detectable in a structure of difficulties presented by patients, there is some nervousness and vigilance regarding the crisis. We can also observe fewer opportunities for part-time jobs in vocational rehabilitation programs.</p> <p>ad 2) Because the consequences have not yet reached a larger scale, any measures have not yet been taken.</p>
LT	<p>Lithuanian authorities very interesting in a round table event on "Reducing the psychosocial impact of the financial and economic crisis". I kindly ask you to send more information about this event.</p> <p>Sincerely yours</p>
AT	<p>ad 1: We have the impression that the duration of the crisis is too short to observe an impact on well-being or mental health. In earlier periods of economic depression we experienced that vocational integration is more difficult for those with mental disorders.</p>
NL	<p>At this moment we have no official statements (from the Dutch mental healthcare association) that the economic crisis has implications for the mental health of the Dutch population. That does not mean that these problems do not exist or won't appear. We do suspect that the economic situation can have a negative effect (mentally and materially) on certain people. For instance job loss: that often coincides with the development of mental problems and the loss of material wealth (in the USA a number of millionaires already committed suicide because of the crisis).</p> <p>It's probably too early to observe any effects of the economic crisis on the mental health at this stage, but we do believe it's only a question of time to be able to observe the negative effects of the crisis on the mental health of the (Dutch) population.</p> <p>Unfortunately we don't know yet whether anyone is able to attend the meeting in Brussels on 27 April 2009 on behalf of</p>

	the Netherlands .
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