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Increasing the Range of Human Choice—the Case for Health
(St. Kitts)*

“The advantage of economic growth is not that wealth increases happiness, but that it increases the range of human choice”¹

This is one of Sir Arthur Lewis’ famous statements which I have repeated most often and argued that like wealth, health increases the range of human choice. I contend that the capability of being healthy gives us a certain freedom to choose among life’s options. I also argue that we wish health to be expressed not only as an extension beyond the biblical three score and ten, but we wish those days to be free of disability so that we can explore and enjoy the choices that this life has to offer. But in addition, health increases the range of human choice because it does increase our material wealth.

But first, let me thank Sir Dwight Venner for the invitation to deliver this eleventh Sir Arthur Lewis lecture. I confess that I had some trepidation about accepting, especially when he told me of the list of distinguished economists who have preceded me. But this is not the first time that I have followed economists in a lecture series as this also occurred when I gave the seventh Eric Williams Lecture entitled “Health and Development”.² The inaugural lecture in that series had been given by Sir Arthur Lewis himself and it was Sir Alister Mac Intyre who preceded me. I took it as compliment to the health profession and an acknowledgement that we were a legitimate branch, if not the root of the social sciences. In this case I was comforted by knowing that my good friend Rex Nettleford had given the first lecture in this series. Sir Dwight has told me that these lectures are programmed in cycles of ten so it is good to know that education and health come at the beginning of the cycles. This is fitting, given the importance of education and health as the two most critical ingredients of the human capital so necessary for genuine human development.

It is important for me to make it clear at the outset that this will not be an analysis of Sir Arthur’s contribution to economics. That is beyond my competence. What I will do

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¹ Lewis WA. The theory of economic growth. George Allen & Unwin Ltd London. 1965

² Alleyne GAO. Health and development: Caribbean perspectives. Seventh Eric Williams Memorial Lecture. 1989 Port-of Spain, Trinidad and Tobago. See “The face of man”-The Eric Williams Memorial Lectures 1983-1992. The Central Bank of Trinidad and Tobago

however, is to relate what I consider to be some important strands of his work and thinking to our contemporary concern for the health of the Caribbean people.

I cannot claim to have known Sir Arthur well. I met him infrequently when he was Vice-Chancellor of the University, since lowly medical Registrars or research fellows as I was then, know their place-at least they used to. But I do recall very clearly the night in February 1963 when Eric Williams as pro-Chancellor and he as Vice Chancellor stood together on the dais at that first graduation ceremony of an independent University of the West Indies and I thought of the lost possibility of these two giants leading my University to play a vital role in a Federation of which so many of the young in my generation had dreamed and whose shattered shards we were now collecting. Of course by then we knew that he had decided to leave us for Princeton.

However, I did consult him once professionally. In the late seventies when I was a Professor of Medicine, I had developed an interest in the idea that the health of populations could be important for development as measured by economic growth. I actually submitted a paper entitled "Health and Development" to "Social and Economic Studies", the Journal of the Institute of Social and Economic Research. It was rejected and I still have the rejection slip which justified the rejection on the basis that the relationship between health and development was only "*an interesting germ of an idea*".

Rejection did not quell my enthusiasm and when I came to work in the Pan American Health Organization in the early eighties, I telephoned him in Princeton and asked his opinion of the idea. I also put to him the thesis that in the latter part of the nineteenth century, measures of progress included social conditions and it was only after economists developed the capacity to measure income and product accounts that such measures fell out of favor. He listened to me patiently and said very quietly but firmly "*I know nothing about this. I suggest you speak to someone like Burton Weisbrod who has worked on the economics of schistosomiasis in St.Lucia*"³. And that was that! I suppose the fact that I am giving this lecture this evening is an indication of how the germ of an idea has flourished and the extent to which I have been stubborn or perhaps associated with persons who do know of these things.

Even though I cannot relate to many of the technical aspects of Sir Arthur's work, I believe that I have been able to grasp most of his fundamental arguments and the reason for this is that his writing is so clear and its logic so impeccable. It is an absolute joy to be able to read his prose, follow the argument and not have to contend with the various symbols and complex mathematical equations which seem to me to be nothing more than vain attempts to create the fiction of an exact science. For example, I never quite understood what this "new" international economic order really meant until I read what he had written and came away with my naïve belief that the third world had provided the material for the industrial revolution totally shattered.⁴

³ Weisbrod BA. Andreano RL. Baldwin RE. Epstein EH. Kelley AC. Disease and economic development. The impact of parasitic diseases in St.Lucia. The University of Wisconsin Press. 1973

⁴ Lewis WA. The evolution of the international economic order. Princeton University Press. 1977

Those parts of his work which I have read most often focus on his interest in the means of economic growth and there seems to be unanimity that the work for which he is most famous is that which describes how countries grow economically with unlimited supply of labor. But I have found his concern for the ends of economic growth equally or even more fascinating. What does it benefit humankind to acquire wealth?

I understand Sir Arthur to posit that growth is the result of human effort and its three proximate causes are economic activity, increasing knowledge and increasing capital. These represent means and he alluded frequently to the role of disease and to some extent other aspects of health as frustrating or facilitating these means. He writes;

*“Malnutrition and chronic debilitating diseases are probably the main reason why the inhabitants of most underdeveloped countries are easily exhausted. And the chain is hard to break, since malnutrition and disease cause low productivity, and low productivity in turn maintains the conditions of malnutrition and disease”.*⁵

Although he does not spell it out with the same clarity, it is obvious that the converse must be true, that good health of the population does contribute to economic activity. It is interesting to note that this view of ill health as impeding growth has been taken as almost intuitively obvious, but the idea of the health of a population being instrumental for growth has not been as readily accepted. Many felt and still continue to feel uncomfortable with the latter, as they prefer to see health as being important in and of itself and as a good to be enjoyed for its own sake. They believe that in some way it diminishes humankind to think of one of its most important characteristics or attributes as serving some purpose. Some who work selflessly to improve the health of the world, especially the world’s poor believe that they have been called to higher service. Theirs is a noble calling akin to holy orders and any view that what they seek is instrumental diminishes them and puts them in the same category as shopkeepers seeking after profit.

But the evidence for the contribution of health to wealth is now compelling. A colleague of mine, Dean Jamison has estimated that for the period 1965 to 1990, improvement in health as evidenced by reduced mortality is responsible for 11% of global economic growth⁶. Nordhaus in his examination of the health of nations says that; *“To a first approximation the economic value of increases in longevity over the 20th century is about as large as the value of measured growth in non-health goods and services.”*⁷

The mechanisms through which good health contributes to economic growth have been well established and I spelled them out and their pertinence for the Caribbean in some detail in a lecture I gave here for the Caribbean Development Bank two years ago. Especially in a situation in which resources are limited, it is legitimate and laudable for those who argue for resources to improve health to put the instrumental argument.

⁵ Lewis AW op cit.

⁶ Jamison DT. Investing in health. In “Disease Control Priorities in Developing Countries”. Eds. DT Jamison; JF Breman; AR Measham; et al Oxford University Press and the World Bank, 2006

⁷ Nordhaus WD. The health of nations: the contribution of improved health to living standards. NBER Working Paper Series. Working Paper 8818. [http:// www.nber.org/papers/w8818](http://www.nber.org/papers/w8818). 2002

The health of populations does figure prominently in Sir Arthur's theories of development in another dimension. He is interested in changes in population which obviously affect whether total national growth is reflected in per caput growth. But more fundamental is the concern with population size in relation to the labor supply. The level of a population is a result of the balance between birth and death rates. He is somewhat unclear as to whether economic growth affects birth rate, but is absolutely certain that death rate is conditioned by economic growth and for three reasons. First, better communications and trade eliminate death from famine; second, good public health eliminates the great epidemics of infectious disease and third, better medical care is available to cure disease. He got it absolutely correct in terms of the sequence. Mortality falls before female fertility decreases and the result is a temporary bulge in population before the two phenomena come into line and there is a stable lower level of population. It is interesting that economists have become very interested in this bulge again and have referred to it as the demographic dividend which in the presence of the appropriate infrastructure leads to a burst of economic activity. Part of the remarkable economic performance of the East Asian countries in the decades of the eighties and nineties has been attributed to this demographic dividend. It is yet to be seen whether the Caribbean has benefited from this dividend.

He refers to capital more in the physical sense although he cannot have been unaware that the knowledge which was one of his proximate causes of growth is a human attribute. I found it interesting that he shared the Nobel Prize with Theodore Schultz whom I always associate with one of the clearest expositions of the nature of human capital. But our economic historians remind us that it was Adam Smith who spelled out the importance of human capital. He wrote:

*"The general stock of any country or society is the same as that of all its inhabitants or members and is, therefore, divided into three portions, each of which has a different function. The first is the portion which is reserved for immediate consumption, and so affords no revenue or profit. The second is the fixed capital, which consists of: (a) All useful machines and instruments of trade which facilitate labour. (b) All profitable buildings, which procure a revenue, not only to their owner, but also to the person who rents them, such as shops, warehouses, farmhouses, factories, etc. (c) The improvements of land, and all that has been laid out in clearing, draining, enclosing, manuring and reducing it into the condition most proper for culture. (d) The acquired and useful abilities of all the inhabitants or members of the society; for the acquisition of such talents, by the maintenance of the learner during his training costs a real expense, which is a capital fixed in his person".*⁸

Because I find Sir Arthur's concern for the ends of economic growth even more fascinating I will cite a few lines from the Appendix to his "Theory of Economic Growth" which inspired the title of this lecture "Increasing the range of human choice-the case for health". He continues the argument that wealth does not necessarily increase happiness, and perhaps in a puckish mood he writes;

⁸ Smith A. An enquiry into the nature and causes of the wealth of nations. Book 2-Of the nature, accumulation and employment of stock. Ed E Cannan. University of Chicago Press.1976

*“We do not know what the purpose of life is, but if it were happiness, then evolution could just as well have stopped a long time ago, since there is no reason to believe that men are happier than pigs, or than fishes. What distinguishes men from pigs is that men have greater control over their environment; not that they are more happy. And on this test economic growth is greatly to be desired. The case for economic growth is that it gives man greater control over his environment and therefore increases his freedom”.*⁹

This concept of human capabilities which include health increasing man’s freedoms has been well described by another Nobelist-Amartya Sen.¹⁰ Sir Arthur goes on to elaborate on the freedoms which are conferred by economic growth, such as the freedom to choose greater leisure, to have more services and goods including the fine arts. It does not require a great stretch of imagination to appreciate that good health is also critical to the enjoyment of those freedoms and the increasing life expectancy which comes with good health gives us a longer time to explore and enjoy the range of choices.

Eight years ago I participated in the Summit of Heads of State of the Americas, held in Santiago, Chile, and I was impressed that more than one president, commenting on the positive achievements of the Americas, mentioned some aspect of health. I ended my own presentation on the state of health in the Americas by saying, with apologies to Adam Smith that the health of nations was the wealth of nations. Thus I was more than pleased when the CARICOM Heads of Government in their meeting in Nassau in 2001 declared that “The Health of our Region is the Wealth of our Region” and mandated the creation of a task force to “propel health to the center of the development process”. This task force became the Caribbean Commission on Health and Development which I had the honor to chair and Sir Dwight was one of the eleven commissioners.

The Commissioners agreed that before we could determine the extent to which one or other change in health was relevant to development, there had to be some definition of the state of that health and the challenges to be overcome in order to improve it. We took as a given that health, like economic growth and education and a secure environment constitute some of those capabilities that are essential for human development and we interpreted the remit of the Heads of Government as more relevant to the relationship of health to the economic outlook for the Caribbean. The Report of that Commission has been available for a year and has been presented to the Heads collectively as well as to them individually and their cabinets.¹¹ But Sir Dwight and I believe that there is still not enough knowledge about the findings of the Commission and perhaps more importantly about the state of Caribbean health in general which we believe to be everyone’s business.

Our Report points out the major health problems of the Region, some critical issues with regard to health services, human resources and the financing of health, all of which should interest bankers both personally as well as professionally. It must be acknowledged

⁹ Lewis WA. The theory of economic growth. Appendix. George Allen &Unwin, London 1955

¹⁰ Sen A. Development as freedom. Alfred A. Knopf, New York. 1999

¹¹ Report of the Caribbean Commission on Health and Development. Pan American Health Organization and the Caribbean Community Secretariat, 2006

that the Caribbean appears to have done well in the past fifty years in terms of the standard health indicators. The abominable social and environmental conditions that occasioned major upheavals of the Caribbean in the decade of the thirties have now faded from living memory. Our children do not die in such numbers from infections and malnutrition and we are living longer. There is a feeling that sometimes borders on smugness that our health problems are as a result of development as measured by increased wealth.

Our Report was clear that while there may be individual problems of certain countries, for example, malaria in Guyana and Suriname, there was an overall consistency about the major problems. The three major health problems facing us as a Region are the chronic noncommunicable diseases, HIV/AIDS and the health consequences of violence and injury. Heart disease has been the number one cause of death in the Caribbean for decades and the situation shows no sign of changing. Heart disease, stroke and hypertension account for the majority of our deaths and together with diabetes are found consistently among the first five commonest cause of death. The situation was thrown into stark relief when we pointed out that the age-adjusted death rates for these diseases were consistently higher in at least Jamaica, Barbados, and Trinidad than in North America. Death rates from stroke are four times higher in Trinidad and Tobago than in Canada; death rates from hypertensive heart disease almost fifteen times higher in Trinidad and Tobago than in Canada and the ratio for diabetes is ten. These higher mortality rates are found consistently whenever they have been looked for in the Caribbean. The situation is very similar for cancer, and except for cancer of the lung, the death rates for most cancers are higher in the Caribbean than in North America. It gives us scant comfort to know that the world as a whole still has not come to grips with what I have described as the silent tsunami of the noncommunicable diseases which threatens to engulf us and our children.

But it is pointless describing the epidemiology of these diseases and not suggesting what might be done about them in terms of policy. I confess that this emphasis on what must and should be done has come home more clearly as we have presented the data to the Ministers of Health and the Heads of Government. They say *“enough of your grim data, share with us what interventions work and what approaches we should take”*.

I have been firm in proposing that there are essentially three approaches. First, it is absolutely essential that we should employ the best possible methods to treat persons who suffer from these problems. Our Ministries of Health and our Medical Associations have been exemplary in proposing the appropriate protocols for the management of these diseases. For example, they stress that there is no absolute cut-of point for what is hypertension or hypercholesterolemia, but the combination of these data plus of course body weight and the presence or absence of diabetes can be converted into the absolute risk of a cardiovascular insult and the appropriate treatment instituted.

But this is not enough. Our societies can not afford the increasing burden that stems from the noncommunicable diseases, and I will stress here the cardiovascular diseases and diabetes. Our major thrust has to be to prevent them and in order to do so every good Caribbean citizen has to understand that we can accomplish this only if we alter the environment that is conducive to these diseases. I am enthusiastic about that

aspect of health promotion which identifies these as diseases of life style and enjoins us to change our life styles. How many times have those of you who are over weight heard the admonition that you should lose weight or that you should exercise? That is necessary, but no longer sufficient. We must seek interventions that to large measure do not depend on your volition. In short we must address at a societal level those risk factors that lead to these diseases. We must address the cause of the causes and recognize that the correction of these depends on the shifting of those policy levers that are in the hands of the state.

Age is a risk factor for cardiovascular disease, but this is not modifiable. Our data for the Caribbean show unequivocally that the major modifiable risk factors are high blood pressure, obesity, high cholesterol and tobacco and our efforts must be directed to implementing policies that change these and many of such policies are outside the remit of ministries of health. The one which is ripest for change is that related to tobacco and the most powerful instrument for modifying tobacco use is taxation. We know that the tobacco tax as a percentage of the final price is higher in the developed countries than in the low and middle income ones. Tobacco tax approaches 80% of the final price in the UK. In Jamaica it is about 55%, in Trinidad and Tobago about 50% and even lower in Barbados. A colleague of mine, Professor Jha has calculated that a tripling of the excise tax on cigarettes in Trinidad and Tobago would reduce consumption by 30% and save thousands of lives in addition to adding to the national revenue. The same applies to other countries. I have been pleased to learn that the Government of Suriname has already raised its taxes on cigarettes considerably, Trinidad and Tobago by 15%, and this is being contemplated in other countries. I hope you will join your voices with those who advocate for an increase in taxation on cigarettes, banning of smoking in public places, banning of tobacco advertisement, appropriate messages on the packages and putting in place measures to help those smokers who wish to quit.

Obesity presents a major problem as all over the Caribbean men and women are steadily becoming fatter. We estimate that in the last thirty years there has been approximately a tripling of the rates of obesity and overweight in females and males. It is extremely difficult to lose weight once one becomes overweight. We have proposed to the Heads of Government that they focus on children as far as obesity and diet are concerned and insist that physical education in schools be mandatory, that they have healthy school meals and that advertisements to children that promote unhealthy eating should be banned or monitored closely. Caribbean children should learn from an early age that they should eat right, exercise right and weigh right.

But the modification of diet such that there is less importation of obesigenic foods, increased intake of fruits and vegetables and less salt are matters which we have been told depend on more sophistication of our trade and agricultural policies. I am pleased that we have begun an interaction between the Regional Negotiating Machinery, CARICOM and the Caribbean Food and Nutrition Institute. It is not correct that we are so constrained by the rules of the World Trade Organization or those of our own CSME that we do not have the capacity to modify our imports such that our diets promote rather than impact negatively on our health. It is equally or more important that we have regular physical activity, regardless of weight. Unfortunately our transportation policies are not helpful in

this regard, but it is not impossible for our governments to provide or help to provide green spaces if not parks to encourage citizens to walk regularly. Emancipation Park in Kingston, Jamaica is a shining example of what can happen.

The modification of these risk factors is in the realm of primary prevention. We also endorse a third approach which is called secondary prevention, meaning the appropriate therapy of those persons who have already suffered some insult. This involves the use of an appropriate combination of medication that has been shown unequivocally to reduce the risk of recurrence of another insult.

I have paid considerable attention to the findings of the Commission as regards the noncommunicable diseases and we have been concerned why there has not been the attention to these problems that they deserve. Is it because of complacency, and we have assumed that these are the problems of the developed world and are an inescapable consequence of development? Is it because their external manifestations are not as obvious and dramatic as those of the infectious disease? Is it because they affect adults rather than children and we are attuned to the sympathetic attention to diseases of children? Is it because there is no obvious etiological agent and the temporal relation of risk to disease is not apparent? Is it because we are unaware of the economic costs of these diseases?

I will devote less attention to HIV/AIDS which we indicated is the second major health problem to be addressed. I do this because there is general appreciation of the seriousness of the epidemic and the methods to be adopted to deal with it. I am sure that all here know that the wider Caribbean is second only to sub-Saharan Africa in terms of prevalence of the disease and we reckon that there are between three and four hundred thousand people living with HIV in the wider Caribbean which includes Cuba and the Dominican Republic in addition to the CARICOM countries. The mode of transmission of the epidemic is now firmly heterosexual.

There is now cautious optimism that the epidemic is being brought under control and the priorities for all the countries are prevention, treatment and care in that order. Every country is making efforts to scale up its treatment program, but the concern persists that if there is not a more vigorous effort in prevention, the countries simply will not be able to afford the costs of treating an ever expanding pool of persons infected with HIV. One of the major problems encountered in scaling up the efforts at prevention is the stigma and discrimination which attend not only the disease itself, but the lifestyles such as homosexuality which are so linked to the infection in the public perception. This stigma is seen in our laws. I am not proud of the fact that there are only eight countries in the Americas that have laws making homosexual behavior a crime and seven of them are in the Caribbean. But this is not the forum to go into detail on the approaches we need to take to address this stigma and discrimination.

Violence and injuries represented the third major health problem. It is not only the loss of life, but the impact on the health services that are causes of concern. Motor vehicle accidents are the first cause of death among young adults between the ages of 15 to 24. The cost to society is high, as the persons who bear the heaviest toll are those in the most

productive age groups. We know the effective interventions in the case of motor vehicle injuries-seatbelts, speed bumps in the roads, enforcement of laws against drinking and driving, inspections and punishments for traffic violations, which makes it all the more tragic that these injuries, often fatal, are increasing.

Our Report points out many of the deficiencies in the health systems which must be corrected if the effective interventions are to have an impact. The one issue which may be of particular interest here is the proposal that fees should not apply to the use of public health services and that the Caribbean should consider the possibility of a region-wide health insurance scheme which will have particular relevance in the context of the CSME.

There are both direct and indirect costs to ill health. While it is not possible to give data for the whole Caribbean, we do know the impact in some individual countries. In Jamaica for example, preliminary data on the cost of ideal treatment of diabetes and hypertension for one year alone are of the order of \$US300 million. Microeconomic data from Barbados show the high level of dissaving in families in which one member suffers from HIV/AIDS. The cost of injuries and violence in Jamaica is estimated conservatively at 0.7 per cent of GDP. I think that even Sir Arthur would have sat up and taken notice of these data and suggested that this is an economic burden that countries can ill afford to bear, especially when there are effective interventions that can be applied.

Why should all this be of interest to bankers? The obvious one is that your profits are tied to the economic fortunes of the countries in which you do business and to the extent that health and the economy are interdependent, you must be concerned. You should know that health has a significant impact on our major industry-tourism in many ways. The health of our citizens and the environmental health of our countries influence their attractiveness as destinations. But I also believe that apart from self interest, in the sense that you will do well by doing good, your industry has a social responsibility that must find expression in efforts to collaborate with the other social partners in improving Caribbean health.

Sir Arthur was very conscious of the role of bankers in development and advocated government pressure on commercial banks “*to lend more freely to nationals*”¹². He had a much kinder view of bankers than Thomas Jefferson who was not exactly a friend of banks and remarked that “*banking institutions are more dangerous to our liberties than standing armies*”.¹³ But he appreciated the power you wield and as he wrote in a letter to John Adams in 1819 “*The banks have the regulation of the safety valves of our fortunes and condense and explode them at their will*”.¹⁴ I am not sure whether Sir Dwight as Governor of your Central Bank subscribes to that view, but I am sure in his capacity as one of the Commissioners of the Caribbean Commission on Health and Development he would enjoin you to take health seriously as you tinker with those safety valves of Caribbean fortunes that are under your control.

I thank you and wish you a successful Conference.

¹² Lewis WA. Development planning; the essentials of economic policy. George Allen & Unwin Ltd. London 1966

¹³ Jefferson T. Letter to Albert Gallatin 1802.<http://exext.virginia.edu/jefferson/quotations/jeff1325.htm>

¹⁴ Jefferson T. Letter to John Adams 1819.op cit.