

TRANSCRIPT

"AUSTERITY: A FAILED EXPERIMENT ON THE PEOPLE"

A Conversation With Martin McKee

Introduction: Marine Buissonniere

ANNOUNCER:

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MARINE BUISSONNIERE:

So, good evening, ladies and gentlemen. My name is Marine Buissonniere and I'm the director of the public health program at the Open Society Foundation. And it's my great pleasure to welcome you to this lecture that will be given by Professor Martin McKee. Professor's Martin McKee passion for social justice started in Belfast, northern Ireland, where he grew up. His parents were general practitioner.

They were working-- you know, at the front lines of the riots and that's where he derived (?) a lot of his ethics and ideas from. Martin qualified in medicine in Belfast and then he went on to study internal medicine as well as public health. As professor of European public health at the London School of Hygiene and Tropical Medicine, Martin co-directs the European Center of Health and Society in Transition.

This is (UNINTEL) centers that comprises the largest team of researcher working on health and health policy in central Europe, eastern Europe and the former Soviet Union. But Martin doesn't stop here. He's also a research director-- of the European Observatory on Health Systems and Policy. He's president-elect of EUFA, the European Public Health Association.

And we are very lucky to count-- count him as the chair of the Open Society Global Health Advisory Committee, which is one of-- why he's kindly accepted to join us tonight. Martin has probably published more last year in 2015 than all of us in our

lifetime. (LAUGH) 89 paper last year, people. Who can top that? I'm fairly sure no one can. Overall, he counts over 740 scientific publication, 42 books and he's been the-- the editor of the European Journal of Public Health over 15 years and a member of (UNINTEL).

If you Google him, you'll find a Lancet profile of him that were published last year and added working title, "The Champion of Public Health in Europe." And that's really what Martin is. In this article, which I really urge you to look up after this lecture tonight, Martin is quoted saying, "Europe's biggest problem right now is the methods of universal health care in the face of the financial crisis."

So tonight we will hear firsthand from Martin's, his analysis of these challenges, the alarming health consequences of austerity, why we should have inspected them in the first place and what can be-- (UNINTEL). So Martin, without further ado, the floor is yours.

MARTIN MCKEE:

Thank you very much. (APPLAUSE/UNINTEL) So what I want to do is to look a little bit at the causes of the crisis to understand how we got into the situation that we're in, then to look a little bit at the health effects, but with a particular focus, given that we're here at OSI-- to look at particularly the issues affecting vulnerable populations and-- then to say what we might do about it.

I want to take you back to 2008 and anyone in New York will know that was a week that changed-- a decade changed the century perhaps, but Lehman Brothers announced a \$4 billion loss. The Federal Reserve-- suggests a liquidation option. Barclays Bank in the UK, symbolizing the closeness of London and New York that-- that we were-- Victor, Robert and I were talking about earlier, although sometimes the division-- were Barclays were-- was proposed we come in and rescue them, but that was blocked by the British regulator and then to everybody's surprise and shock, Lehman Brothers filed for bankruptcy-- protection.

Now this is what happened and what I've done in this is I've taken the GDP per capita and indexed it to 100 or to one-- in fact, in 2007, just before the crash, so all the countries are sort of indexed to the same level. And you can see that these countries, we're looking at Germany, US, UK, Spain, Greece, we're all growing at a reasonable pace until the crisis.

And then after that, they went in very different ways. Now just to-- for those of you who'd followed Danny Blanchflar (PH) on Twitter, you'll know I'm using GDP per capita, because my finance minister, the chancellor of the exchequer boasts a great deal about GDP-- and though with the conservative party in the UK is doing everything to clamp down on migration, the only reason that GDP in the UK is going up is because more and more migrants are coming in and it's actually increasing the number of people-- and what they're spending. So it's purely a product of migration and nothing to do with his economic policies.

So by having GDP per capita, we get a more-- realistic view of what's actually happening to the economy and-- there you see Germany recovering relatively quickly, the US also recovering. The UK and Spain falling. They went down after the crisis and they have not recovered.

And those of you, if you do follow the Parliament Channel in the UK, you will frequently see the-- the shadow-- spokesman on-- on the-- for the treasury, Ed Bowles (PH), moving his hands rather like that whenever the chancellor of the exchequer is speaking, unless it's just a reminder that the economy is actually flat-lining and not recovering at all, but of course, in some countries, it is much, much, much worse and Greece is the classic example of that.

So you can see that this has been an enormous natural experiment, even simply from the economic point of view, regardless of the health issues. Something has happened that has been different in each of these countries. They've adopted different policies or something has happened and we can learn perhaps from that.

So I want now to ask what was going on? What was the cause of the crisis? And those of you who listen to the British media or to FOX News-- or to any of those other important sources of information that we all rely on every day (LAUGHTER), well, we'll know the answer is absolutely clear.

Countries were living beyond their means. They were spending too much. Spending had got completely out of control. These left-wing, socialist governments-- all over Europe were spending far too much money. Even the ones that were labeled as right-wing were really social Democrats because actually, they were far to the left of anything over here.

So a little spending. They've been spending money as if there was no tomorrow. Crucially, the European model of the welfare state was unaffordable, absolutely unaffordable. Giving money to poor people, taking it from the entrepreneurs, the drivers of the economy, and giving it to all these unemployed and poor people? I-- you could never afford that. That was absolutely impossible.

One famous quotation we use on our side of the pond, the national credit card was maxed out. We'd reached our spending limits, so American Express, we're calling in the card. (LAUGHTER) Obvious, isn't it? And of course, this is the narrative and we all agree, don't we? I mean, this is the way you've been told it, the way that you hear about it in the media, the *Wall Street Journal* view of history, absolutely clear. Or is it? Or is there an alternative explanation?

Possibly. Could it be that all these very clever people are actually wrong? (LAUGHTER) Well, maybe there is an alternative explanation. And I'd like to suggest that the real explanation looks a little bit like this. So you had massive deregulation of banks and derivative markets in the 1980s under Reagan and Thatcher. So all the rules were taken apart. Banks could trade wherever they want, banks which weren't even listed on the stock markets in the 1940s and the 1950s. Nothing ever happened. You know, bank stubs didn't go-- I mean, if you wanted to trade in bank shares, as George Soros has pointed out, you needed to make an appointment to do that, to

discuss it. It wasn't the sort of thing you could do on the Internet, had it even existed. So all of the rules were torn up. We had the big bang. We had the deregulation of the markets.

Massive capital inflows because, of course, during the 1970s and the 1980s, the industrialized countries stopped being industrialized. Essentially, we stopped making things. Once upon a time, you will recall, in cities like Detroit, you made cars. Not anymore.

So we have this problem, a problem for shipping agents. What do you actually do with all of the empty ships that are going back from the US and back from Europe to the countries of origin? What do you fill them with? Real problem. So massive capital inflow is coming from the countries that we're producing, particularly China and-- and the Far East, Korea, the tiger economies who were making things and had a lot of money and they needed to do something with it.

In the US in particular at that time, very low interest risk, because of the collapse of the dot com bubble in 2000, 9/11 in 2001 and it meant that the Fed brought the interest rates right down, so there was very cheap money. So you had to do something with the money. What do you do with the money? And you know, you don't just put it in the ground and bury it. That-- that's the sort of old-fashioned way of doing things.

It had to be put somewhere. And you needed to get somebody to borrow it off you and pay you interest for that money. And who was going to borrow it? You will-- some of you, the economic historians here, will remember that once upon a time, the stock market existed for a very simple purpose. It was to take money from people who had some savings, so they could invest it into things, things that you could touch. Railway lines in Argentina, coal mines in Pennsylvania, whatever. But they were things you could physically go and tangibly touch.

But instead-- that was no longer possible, because we weren't building railway lines in Argentina and the coal mines in Pennsylvania were closing, so they needed to find something else. So what they did was to wrap up the money in all sorts of complex deriv-- derivatives and that money ultimately, through very long chains, went into mortgage-backed securities, risky sub-prime mortgages, persuading people.

And remember that the median income in both of our countries has essentially not changed in three decades. And if you wanted to raise living standards, you had to get people to do something different if they weren't earning any more money. They had to borrow it. And they borrowed it by releasing the equity on their houses and borrowing up to the hilt so they had some spending money. That was fine as housing prices were going up. And the interest rates were low.

But it created a housing bubble. The prices were going up on the houses. The money was going into it. And then in 2006, interest rates went up. People could no longer afford the repayments. There were consumer-- defaults-- bank defaults as a result of that on a stock market crash. Now again, if it had just simply been investing in-- banks investing in houses, that would have been fine. It would be a simple link

between, you know, the banks and the houses and they could do something about it, but it was more complicated, but particularly an issue was this idea of deregulation, of freeing up the market. Ireland was seen as the poster child. This was the future.

What has caused this Irish miracle? And how can we in Britain emulate it? In Ireland, they freed their markets, developed the skills of their work force, encouraged enterprise and innovation and created a dynamic economy. They have much to teach us, if only we are willing to learn. Now, of course, with the benefit of hindsight, we know that this Celtic tiger miracle wasn't quite what it seemed to be.

So who was it that thought that this was the way forward? Who was it that thought that Ireland had much to teach us? Well, it was the British chancellor of the exchequer. This is George Osborne, our chancellor of the exchequer-- who thought that this was a great idea.

The difficulty was that the mummy was not that easy to trace. Now all of you will be familiar with this formula and this diagram. (LAUGHTER) It's really straightforward. In fact, it's absolutely simple. This is how you calculate the value of a credit default swap. And-- and you know, Robert, you can-- you'll explain it to us later, won't you? I mean, it-- it's so easy. And of course, this is only one of the many derivatives. For the less mathematically-inclined, this is the other way you can run the financial markets, which is essentially reading the tea leaves, by which it's now replaced the slightly less sanitary version of throwing chicken entrails over your shoulder (LAUGHTER).

Put another way, I put it to you. And this is a dangerous thing to do here in New York, given that Wall Street's just up the road and some of you may even work there. I would suggest to you that some very rich and very greedy and very stupid people might have been playing with things they didn't understand.

And again, you'll be familiar with all of these terms, credit default swaps, naked credit default swaps, which essentially involve-- betting on the survival of your neighbors' assets, like, assume that they have a garden shed just over the fence, which is a very powerful incentive for you to move the barbecue as close as possible to the fence, so that the sparks will go over it and burn it down.

(LAUGHTER) And you have no interest in it other than it actually burns down. Then it becomes a tangible Val-- of value to you. Collateralized debt obligation, collateralized loan obligation, mortgage-backed security, sub-prime credit default hedges. Actually, the last one I made up-- put the words together at random, but of course, you all spotted (LAUGHTER)-- everybody spotted that, didn't they? We all know that that is actually made up.

But you're saying to yourself, well, you've heard where I come from, what I do. He's a simple physician. What the hell does he know about financial markets? I mean, clearly absolutely nothing. So I look to some other people who might know something about it. And here are a few selections of quotations. Financial innovation has run amuck in recent years and some of us-- and some of the recently introduced markets and financial instruments have proven unsound and are now

unraveling-- the quotation.

The newly invented methods and instruments were so sophisticated that the regulatory authorities lost the ability to calculate the risks involved. The various synthetic financial instruments like CDOs and sell-- CLOs, which have played such an important role in turning the sub-prime crisis into a much larger financial crisis, have been built on the belief that markets are always right and deviation's random. But the prevailing theory is wrong. Who said that?

(OFF-MIC CONVERSATION)

MARTIN MCKEE:

Indeed. I'm so delighted. Yes. So these are direct quotations from-- and thank you, George, for providing this lovely room for us here. And-- and I may not know anything about financial market-- markets, but I put it to you that the fact that we're in this building tells you that he does know a little bit about it. (LAUGHTER) So don't listen to me. Listen to the expert.

And then there were other factors, just accidents. Standard and Poor accidentally-- accidentally (LAUGHTER) and answers the downgrade of French debt. And of course, you will be familiar with this well-- now well-known phenomenon that has moved into the popular vernacular-- which is that of the fat finger syndrome, whereby an individual inadvertently presses the wrong button and-- all sorts of things happen as a consequence.

So these-- these are the sort of things that happen. Unfortunately, it wasn't only stupidity and elsewhere, I've discussed some of the evidence in this. There's-- a law called Benford's (PH) Law. It's a modeling where you can look at the distribution of numbers. But some of the-- the financial institutions were making massive fees out of all sorts of transactions. Goldman Sachs, who actually bear a lot of responsibility for all of this. It's amazing how you can do such things and not actually end up in jail, something that puzzles me every day. Only Iceland has actually tried to do it.

Goldman Sachs made \$300 million arranging a one billion currency swap so that the Greek government could get into the Euro, concealed from the European Union regulators. Now we could go more into the Greek data, because actually, there's a very nice paper using this thing called Benford's Law that shows that the Greek financial statistics were-- how can I put it? Well, I can't put it anymore simply than to say made up.

It's made up. I mean, they weren't just wrong. They were actually just made up. Somebody went round and wrote with a bit of paper and put down numbers. If it'd been put down at random, they would have actually followed a random pattern, (LAUGHTER) but because this individual did not actually use the random number generation in their calculator and just made them up, unfortunately, they did not follow Benford's Law. And therefore, although every other country in the European Union, the data do follow this-- this negative logarithmic distribution, they were just

made up.

But then there was cheating as well. And this is the problem (LAUGHTER), because some of you have not seen the film, the movie, *The Wolf of Wall Street*. And the failure, the biggest problem we have is that many of the people involved in these markets, many of whom may have had cameo roles in the movie for, you know, it's entirely possible if it was shot in Wall Street, maybe they were the people in the background, don't actually realize that this film, and I'm sorry to break it to you, is actually an allegory.

It is not an instruction manual. This is not the way that you're meant to do things in the financial markets. You look shocked. You know, you are not actually meant to do trillion dollar trades while you're high on cocaine. (LAUGHTER) You know, I'm sorry.

It's sort of-- you know, it sharpens the mind to a certain extent, but generally, if you're spending other people's money in the millions and billions of dollar, you know, do not be either high on cocaine or-- or low on valium or whatever.

So what is to be done? I just thought I'd put this in, because at this stage, you're obviously thinking I'm clearly a Marxist, who's dedicated to the overthrow of the western capitalist system. But-- Lenin has, you know, said that. And this is the difficulty, because when you look around at the economists and I'm not sure how many economists we have in this room, (LAUGHTER) there is this well-known relationship, which essentially means that-- whatever the-- the-- the number of economists in the room, the number of economic opinions is N plus one.

So the-- the-- that is the challenge that we have. We have more ideas about what we should do than-- than we have people. And just to cut-- keep it very simple. We've got monetary (?) support, expansionary monetary policy, Keynesians. I hold up my hand. I confess. I'm a Keynesian. If you hadn't already noticed, you support increased government spending to encourage growth. Supply-side economists, you know, you deregulate everybody, everything and you guys support tax cuts.

But I think this is really where we are. And again, speaking to an audience here, because unlike in-- in Europe, not everybody there does actually read the *New York Times* and not everybody does read Paul Krugman, who clearly is-- is one of the most prescient people in-- in this entire debate, talks about the austerians (PH).

The next time you hear serious-sounding people explaining the need for fiscal austerity, try to parse their argument. Almost surely, you'll disco-- cover that with signs like hard-headed realism actually rests on a foundation of fantasy and the belief that the individual vigilantes will punish us if we are bad. And the con-- confidence fairy will reward us if we're good.

These are the credit rating agencies, in case you hadn't spotted it. And then the real world policy, policy that will blight the lives of millions of working families has been built on that foundation. Well, the austerians won the debate, so we have austerity policies all across Europe. And the austerity, the argument for austerity was advanced by politicians and in doing so, they drew onto theoretical and they thought

empirical pieces of-- of evidence. And the first was the argument that high levels of national debt reduce future economic growth. So if your debt becomes too high, the economy will not grow.

And the second element was that high levels of government expenditure. Governments print money or spent money. It will-- cried out the intrinsically more productive private investment and also reduce future economic growth. So if you want to grow yourself out of a recession, you need to get the debt down and you need to cut government expenditure.

And this, of course, was the seminal paper. Again, I guess in this audience, many of you are familiar with this paper. Anybody not familiar with it? Any-- is everybody familiar with it? So-- okay, so this is the-- the-- the classic paper by Reinhart and Roghoff (PH). And-- they said that the relationship between debt and real GDP growth is weak if it's under 90%, but in a number of countries, the debt to GDP ratio was getting towards that level and in fact, in some (UNINTEL), it had gone above that.

And so the argument was that above the threshold, growth rates fall. And we must not let debt rise above 90% of GDP. Paper published in 2010. Now the economic historians and I know that there are at least some relatives of economic historians here-- if-- in the audience will know that this is a view that is contrary to what's been suggested before.

And I bring you two other Marxists here. I'm sorry, not quite Marxists. These two gentlemen, none of which-- neither of which are normally seen as being on the far left like myself-- Neil Ferguson and Adam Smith. And Neil Ferguson talks about how in the long run, experience and especially that of Britain would seem to fly in the face of the rule that debt was-- a problem at that level. Adam Smith in Great Britain seems to support with ease a debt burden which half a century ago, nobody believed her capable of supporting. So this might have given you cause for thought. Perhaps, perchance you might be wrong. Just possible. (UNINTEL) Who knows the story?

FEMALE VOICE:

(UNINTEL) it was a student.

MARTIN MCKEE:

Yes, so this is why--

(OVERTALK)

MARTIN MCKEE:

If you are a graduate student at the University of Massachusetts at Amherst, you

should think-- and you think that you're fine, but there's something wrong. You think that there may be something wrong with something, follow your beliefs, because you may well be right. And they were.

And eventually, they pursued-- the authors of the paper and they got the data. Now it's an easy mistake. Any of us could make it. So simple to do. You-- there you are. You're working on a spreadsheet and you're dragging your column of figures down and then something happens.

You know, somebody's working with a jackhammer in a building across the road as happens here all the time. Or-- there's a minor earthquake. You can't really distinguish the two sometimes here. And-- so something happens or a particularly colorful bird flies past the window or you take a break for a cup of coffee. All sorts of things could happen.

And just as you're in the middle of that act of dragging the cursor down the column of figures, you get distracted and you don't go all the way to the bottom. And this is, of course, exactly what happened. And the difficulty is that had they dragged their column, their cursor all the way down to the bottom, they would have got a completely different result. Now of course, that didn't actually dissuade them from their conclusion. You could think of all sorts of other alternative examples which were a little bit like the struggles of the pre-Copernican astronomers to try and rationalize their model, in which you can still keep the earth at the center of the solar system by getting more and more complicated movements of the planets.

But ultimately, as Galileo said, and still it moves. So ultimately, the truth does come out. But what about this argument that public investment crowds out private investment? It was frequently thought, and forgive me for the technical language here, that what was called the fiscal multiplier, the economic growth resulting from a dollar of spending-- would be less than one.

You spend a dollar. You get, say, 60 or 70 cents of growth. And then and then a leviade (?) loan shark from that well-known branch of the communist party of the Soviet Union, the IMF (LAUGHTER) decided to look at the figures again during the course of the recession and recalculated it. And he found that in fact, it wasn't less than one during an economic-- recession.

And he calculated it was about 1.6. So that would suggest that maybe government spending would actually make things better. Heresy from the IMF, of all people. Well, we looked at the data as well and we looked at it by sector. We looked at it and said, "Does it matter where you spend the money? And essentially, this is what we got.

What we find was that by putting money into the areas of society where you're essentially putting money into the pockets of low-paid people, education and health in particular, social protection, when you put money into the pockets of poor people, surprisingly enough, they do not dash home every evening to put it into an offshore bank account. (LAUGHTER) They spend it.

And they spend it locally. They spend it in the local convenience shops and the local

convenience shops employ the local lawyers and accountants and the local hardware people, the local carpenters and builders. And the economy grows, whereas if you give money to very, very rich people, they do not go out to the local corner shop and spend it. They put it in bank accounts and they save it away somewhere and they put it in offshore tax havens like the Cayman Islands or (UNINTEL) or somewhere like that.

And-- and it doesn't actually grow the economy. Money into defense. Well, of course, we're being a bit partial here, because what we were doing was we were looking at the impact of European countries spending money on-- to the different sectors on the assumption that that money would be spent somewhere. So here, we are fitness leading. It is absolutely true that your taxes and my taxes have been of immense benefit to the economies of Iraq and Afghanistan. (LAUGHTER) The money has clearly stimulated their economy. Their GDP must have gone up greatly from the however many trillion of-- of dollars, Euros or whatever else we spend there. I mean, one would hope.

There have been other downsides to that spending as well. Of course, it hasn't been a complete success in every way, but at least it has helped their economic growth. So what we would argue is the two fundamental principles of austerity, the intellectual underpinnings, the argument that at high levels of debt blocked off growth and that high levels of government expenditure blocked off growth simply are not true, simply are not true.

So then you say, well, if the theory's wrong, doesn't work in practice as opposed from the other way around, you know. It's the practice is wrong, but it doesn't work in theory. And (LAUGHTER) we look at what happened to the economic results.

So the-- in the UK-- this is United Kingdom data down at the bottom. The US, of course, continued with the financial stimulus and the UK, the previous labor government, the one that left no money and-- had maxed out the credit card, it had actually been spending in a sort of Keynesian stimulus. It had cupped in direct taxes and it had put money into people's pockets and the economy was recovering.

And then the conservative party came to power and they had a budget. And then, as you see, it flat-lined after that. So, you ask yourself, why are we pursuing austerity? All of you being people who are deeply committed to evidence and to theory and to understanding how the world works and you say, well, clearly, if you believe what I'm saying, you might-- the intellectual underpinning of austerity is not there. The empirical verification of austerity is not there. And I refer you to Naomi Klein (PH), who before the financial crisis, I think put it perfectly. And she described basically how you never waste a crisis, how people like Milton Friedman (PH) had exploit and-- his acolytes had exploited the military dictatorships in South America, how in the 2004 tsunami in the Indian Ocean, the property speculators came to the now clean, pristine, empty beaches.

And just the fishermen, their families came back to try and rebuild their properties said, "And where are your property deeds, your property titles? You haven't got

them? You tell me that they're washed away in the tsunami? You expect me to believe that? How do I know you were ever here at all? We want to put our hotel there."

So it was really like playing a large game of Monopoly in which you would come along and you would just, you know, the board game and, "I put three houses there and two hotels there and so on."

I put it to you that Klein's analysis was spot-on. Neo-liberal politicians have frequently taken advantage of crises to undermine social solidarity and they were rubbing their hands with glee in the current economic crisis. I should say that there's also often an argument that we're all in it together. I-- just maybe we'll mention it. I didn't put it in the slide.

But as you know that-- in the year after the financial crisis-- most people in the public and the private sector had an increase in income if at all of about 1% or 2%. In the UK, the increase in the income of the-- directors of the FUTSI (PH) 100, the biggest leading companies-- well, (LAUGH) there'd been a crash. The value of their companies have collapsed. So obviously, you think to yourself, well, their income clearly fell in the following year. It actually increased. Would anybody like to guess by how much it increased?

MALE VOICE #1:

300%.

MARTIN MCKEE:

Maybe a bit high. 49%. 49%. (LAUGHTER) But 49. I mean, you know what, had they been able to make it 300%, I'm sure they would, but 49% in the immediate aftermath of a crash is not bad. You know, that really does require some manipulation to get there. 26% for the chief executives of leading American companies.

So now I've come to the main part of the talk, you'll be relieved to hear. We leave the economics behind for a bit and we ask what happened to health. What might we have expected? Well, the difficulty we had when the crisis erupted was, well, first of all, nobody was interested in funding any research, so we had to do it out of the goodness of our heart and we also had no data, because you will know when you can get your iPad-- your iPhones out and you can go out onto the Bloomberg-- app and you can see. You get the value of the dollar, the-- the value of the New York Stock Exchange, the FUTSI 100, whatever. 15 second delay after you pay Bloomberg. Shouldn't actually get it instantaneously. You know, within seconds.

No problem. You want data? You've got as much data as you want. You want health data? Well, could you come back in a few years? You want Belgian health data? Could you come back in a decade? Because, of course, Belgium doesn't really exist as

a country. (LAUGHTER) So there are all so-- sorry--
(OVERTALK)

MARTIN MCKEE:

And it's all the fault of-- of Brussels actually, it's the-- the fact they've got one person in Brussels collecting the data. You can get data for Flanders and Belonia (PH) but not for-- not for the whole country. So what we did was we-- we thought we'd look back at all the data we could find from previous crises. This is a paper we did on the banking crisis-- on the-- Great Depression, 1929 to 1937.

We looked at what happened then. And then we looked at-- the last 30 years and Europe. We-- financial crisis in Spain, in Sweden and Finland, various other places. We could learn from that. And then we looked at-- the mass privatization, the post-Soviet crisis, another example of what was going on.

And-- then we looked at the impact on communicable disease. We looked at economic and political crises there in a systematic review. We did with the European Center for Disease Control. So we looked at all the-- evidence we could get. And I'll summarize it very briefly. We expected, as a result of this, that suicides would be likely to go up. Road traffic deaths would be likely to fall.

Alcohol-related deaths we really didn't know, because it depended entirely on how easy it was to get alcohol. Remember that during the Great Depression in the US, you also have prohibition. And in fact, prohibition, one of the reasons it was lifted was to give a boost to the economy because alcohol is one good way of getting money flowing around the economy. In Russia, Catherine the Great famously said that a drunken population is easier to manage, but of course, the Tsars owned the retail alcohol monopoly and they made about a third of their income.

And during the communist period, alcohol, at a time particularly in the 1950s when all the money was going into the electrification of the Soviet Union and there were no consumer goods, alcohol was one of the ways in which you could get recirculation of rubles. Otherwise you were paying people. Not much, but there was nothing for them to spend it on.

So you had to give them vodka or something to get the money actually going around and working in the economy. So alcohol-related deaths, it was-- depended how easily it was available, infectious disease, impossible to predict. I thought this was really well-put, actually, by a man who clearly had some insight into his future. (UNINTEL) Again, a link to New York. And-- this man here said-- I'd (UNINTEL) a bit of French-- a French connection into this as well.

When you lose your job, your health is likely to be worse when you lose your job. The education of your children is likely to be worse. This is the advantage of qualitative research, by the way. You can see that the narrative has developed and we can understand the mechanisms as opposed to the rather crude regressions that the

quantitative epidemiologists do. When you lose your job, social stability is likely to be worse, which threatens democracy and even peace, so we shouldn't put-- fool ourselves. We're not out of the woods yet.

And for the man on the street, a recovery without jobs doesn't mean much. I think he's actually doing all right still-- despite his various tribulations, but-- other people aren't. So what did we find? When we looked at the data, a 1% increase in unemployment, pulling data from a whole series of-- from 30 years of data from across Europe. Suicides indeed do go up and transport-- deaths go down. This is the historical data.

But what we also showed in our historical analyses that it was possible to do something about this increase in suicides. What we find was that it was very important to have resilience. And this takes us right back to the work of people like Antonovsky, who we're asking why is it that some people survive the-- the camps during the holocaust and some people didn't. What are the factors that create resilience?

And what we see is that strong social networks, membership of trade unions, churches and social clubs are important, a strong welfare state, but particularly what we call active labor market programs, things that get people back into work and at least-- and I think this is probably the most important thing. It's things like giving them information and jobs, retraining with the new skills, helping people to move around.

And essentially, I think what this is doing it is saying as a government we care. We care about you. And that is actually a very important message, as opposed to the prevalent message in some other countries as we'll see, which is that we don't care. We find that an increase in social spending above at \$190, US dollars per capita, could actually eliminate the link between unemployment and suicide.

Not very easy to see, but essentially on the left-hand side, you'll see in Spain with a weak welfare state, unemployment went up. Suicides went up. Unemployment came down. Suicides went down. On the right hand side, in Sweden, unemployment went up in the-- early 19-- 90s, but the long-term trend in suicides continued to go down.

There was no connection between unemployment and suicides in a country like Sweden with a strong welfare state. It completely eliminated the association. I won't go into this too much, but the relationship between the economic crisis and infectious diseases are really, really complicated, because a very small change in the behavior of a very few people will make all the difference in the world.

And if you think about it, if some of the people who contracted SARS in Hong Kong during the crisis had instead of going to Eur-- western Europe and to Toronto had instead got on a Café Pacific flight to Johannesburg and disappeared into the mass of Sueto (PH) and were untraceable, then we could have had a very different situation on our hands.

But we didn't. So a very small change can make a big difference, but what we do see is that we would anticipate changes in-- essentially the fact that we're not coming

down with infectious diseases all the time is because public health is working. It's getting rid of the mosquitoes. It's controlling the vectors. It's making sure that the food is safe.

And if that breaks down, as we'll see, then diseases come back, a bit like-- although I'm not gonna look at it here, but the-- well-- don't have a slide, but the experience in-- in-- in-- it very much depends on the context. So for example, in California, with mortgage foreclosures-- there was-- an increase in West Nile Fever. And the reason for that was that in California, many people have swimming pools and if the houses are abandoned, the swimming pools are abandoned, then you've got stagnant water lying in the swimming pools where the mosquitoes breed.

I need hardly mention that this was not a problem in northern Europe, where everybody does not have a swimming pool. So context is everything. We predicted that suicides would go up and we predicted it with a degree of confidence and we were right. Long-term, downward trend was reversed and suicides went up, essentially everywhere in the EU, except for Austria, which had maintained a Keynesian government with a social, democratic government and had maintained investments.

Suicide in England. That's another example. Every 10% increase in the number of unemployed men was significantly associated with-- an increase in male suicide. Women relatively protected. Women have lots of protective mechanisms of networks and social support. They talk to one another.

Men and as we saw in eastern Europe in the 1980s, unmarried men in particular, particularly vulnerable, because they internalize problems. They don't talk to one another. They-- they-- they don't have the support. And we thought that we-- we could attribute from our work alone-- a significant proportion of the recent rise in suicides is directly to rising unemployment. But there's more.

It's not just job loss. It's fear of job loss. It's mortgage foreclosures are working in Spain. Again, has shown how all of those factors play a role. What did the church say in the UK? Arch-- cardinal-- (UNINTEL) Cardinal Vincent Nickels (PH). I think what was happening is two things, and this is crucial.

I said, "Some governments give out a message that we care and some governments send out a message that we don't care." The basic safety net was not-- that was there to guarantee that people would not be left in hunger or in destitution has actually been torn apart. It no longer exists and that is a real, real dramatic crisis. And the second is that in this context, the administration of social assistance, I'm told, has become more and more punitive.

So applica-- if applicants don't get it right, then they have to wait ten days or two weeks with nothing-- with nothing. For a country of our affluence, this is, quite frankly, a disgrace. And particularly in the UK, you have seen the demonization of the unemployed and the vulnerable, who are told that they are responsible for their own fate. And the administrative barriers, the whole system.

We have-- a system for people who've got disabilities, where they are assessed, and

we now have a long-- catalog of people who have been assessed as being fit for work and died a day or two later. People who are blind and saying, "I'm blind. Please send me a message in Braille or contact me in some other ways," not responding to the written letters sent to them and as a consequence, being denied their-- their-- their social assistance time after time after time, a deliberately punitive approach.

And you can see this very much from the way that normally when unem-- the number of unemployed goes up and that's the blue line-- you have an increase in the spend on unemployment benefit. We call unemployment benefit an automatic stabilizer in the economy, so when the economy is going into recession, then the spend goes up. And that keeps the economy going. In some ways, it keeps money for the shops and-- the small shops and so on.

But here, we can see in England, in fact, the amount of money spent on unemployment benefit going down because of the much more punitive regime. What happened in the US? Well, in the US, suicides had actually been going up. It wasn't like Europe, where they'd been going down. In this case, they had been going up, but they went up at a much faster rate.

And we calculated between 2007 and 2010 about five thousand ex-- excess deaths attributable to the-- the crisis. We-- we predicted the deaths and the roads would fall. Now historically, that was absolutely true. The difference now was that in some European countries, road traffic deaths were actually already very low, so in the Netherlands, it was really difficult to fall much further, because they were already so low. But in the countries where death rates in the roads were high, like the Baltic states, eastern Europe, then they did fall. Now there were a number of factors, but-- the certainly, the fact that people were driving less was one.

In fact, the UK was a rare exception. In the UK, for the first time in recorded history, there was an increase in deaths in the road during the recession. But of course, it wasn't what the economists called *ceteris paribus*, all else being equal. It wasn't all else being equal. Something else was happening.

The government had cut all the money from road safety budgets and so it demonstrates that if you really want to increase the number of people dying in the roads during a recession, you can, but you've really got to have a coordinated strategy of unhealth across all policies. You have got to cu-- destroy the economy and cut the budget for road safety at the same time. And then you can overcompensate for the recession and kill more people. It's possible.

Risky behaviors was more complicated. Essentially what we find is that overall, people drink less because they can't afford it. But people who are already drinking quite a lot are more likely to go out and have frequent binges, so the overall alcohol sales fall, but the hazardous drinking in a small section of the population increases.

That's in the USA. We replicated the data in the UK. What about the vulnerable populations that we in this audience primarily are concerned about? Well, before we look at them, let's just recap a little bit and I would argue strongly that austerity is a political choice, not an economic necessity. And I would argue that it's actually

making the economic situation worse, which is why we've had the longest recession in the last 150 years. But for those who see the crisis as a once in a lifetime opportunity dis-- to dismantle the European model of the welfare state, then destroying the economy for a short time is a price worth paying.

And anybody who-- has worked or lived in the UK will know that the time a price worth paying is a direct quotation from one of our former prime ministers, Margaret Thatcher, who presided over a similar recession in the 1980s. We would expect those already vulnerable to be worst affected, but we have a difficulty as researchers.

The problem that we have is that many of the vulnerable populations are effectively invisible to us. We cannot find them. They have very strong incentives to avoid any contact with authority. Some of you may have seen this very notorious-- poster ban that was driven around London, essentially saying, "If you're an illegal migrant, go home. Go home before we lock you up and we lock you up in very unpleasant circumstances." Now it's not quite as bad as the Australian government's policy of putting people in-- places like Nauru (PH) or Papua (PH) or New Guinea, but we're getting close to it. We do our best.

These people are very hard to reach in surveys, because they don't want to be reached for all sorts of reasons. There's a high level of-- justify-- quite justified distrust by them. They don't trust the authorities. And also it's very difficult to establish attribution, because for these people, life is pretty awful anyway. So how much of the fact that their life is awful is due to austerity and how much is it due to the fact that everything we've done for the last 50 years has made their life miserable anyway? How do you distinguish the two?

It's really, really problematic. How might (UNINTEL) minorities, other vulnerable populations be affected? Well, and I'm focusing particularly on migrants and ethnic minorities, because these are the groups of with whom they have most data, to the extent that we have any data and all. And many of the other groups that we work with in-- in OSF are-- we have even less, really very, very little. We might expect cuts-- that we-- we know that they've been cuts to measures to control risks to which migrants might be especially vulnerable, cuts to services, especially those that they depend upon, cuts on living standards affecting people who are already vulnerable including migrants, exclusion specifically of migrants from health coverage, enhanced measures to control immigration with worsening conditions and threats to them as a result of xenophobia among an impoverished native population who see that they're losing their jobs and they so, "Why are these immigrants coming and taking our jobs or taking our money?"

What do we find? Cuts to disease control. Let's look at HIV. Needle exchange and condom distribution programs cut, outreach worker programs to sex workers discontinued. In Romania, we see the loss of the global fun-- money is the-- Romania joins the European Union. The Romanian health minister stated that Romania would be better paying for ships (?) beer festival than HIV prevention, although at least some sanity did prevail and he was forced to resign, cuts to prevention programs.

What happened? Well, this is what happened and what happened was that if you look at the red line, this was a marked increase in cases of HIV among injecting drug users. Not entirely surprising, if you take away all the means by which injecting drug users are preventing themselves being infected by HIV, amazingly enough, they become infected by HIV.

Sort of logical really, but you know, where does logic come into this. Romania, a country that has been doing well and getting the incidents down, a reversal of the earlier trend. The rates were going up. HIV and migration. It's a really complex issue and it's complex for a number of reasons. It's complex epidemiologically and it's complex because of the danger of stigmatizing already vulnerable groups.

So it's complex on ethical, epidemiological and lots of other grounds. There is some evidence that the strand (?) of HIV and recent great-- great clusters comes from outside the country, but it's debated. Most of the people are infected are still Greek nationals, but there is evidence and there is certainly concern that migrants will be particularly affected in the future. And it's not even clear that we really know the full picture, because so many other things are happening.

The Greek minister of health introduced a controversial law stipulating forced testing for infectious diseases under police supervision for drug users, sex workers and immigrants. Even though we know that this is likely to deter marginalized groups from seeking treatment during (UNINTEL). Another disease where when you take away the protective measures, the microorganisms are just waiting for the opportunity to come back, malaria, 96 cases in 2011, 54 of which were imported, but 42 had no history of traveling to a malarial region. These were people who got HIV in Greece and this was primarily attributed to a reduction in vector controls, because remember, that until the 1950s, southern Italy, Greece, Turkey were all malaria-infected areas.

Then we look at cuts to services. And in particular Greece and we've shown in our analyses of Greek data that everyone in Greece-- are-- that overwhelming majority of the population are suffering from greater problems in accessing health care. Facilities are being closed. The hours are being shortened. When they go there, there's very little there. One study-- and there's very little data, but one study looking at a survey of migrants-- showed that a significant proportion of the migrants in Greece were having real difficulty in getting care.

But of course, we don't have longitudinal data. We don't know if this is worse than it was before. And that's the problem that we always face. We've got these one-off studies, but nothing to compare them with. Third mechanism cuts living standards. This is just one study from Spain, looking at a larger study that had had 318 workers from other countries who were living in Spain and had asked them about their mental health in 2008 and because it was a panel survey, it asked the same people in 2011.

And you can see the blue lines for the prevalence of mental illness in 2008 and I have calculated from the paper, because it's not actually given in the paper, but you can

work it out what the increase was in 2011. And you can see-- from Columbia, Ecuador, Morocco, Romania, big increases in the prevalence of mental-- health-- as-- during-- during the period of the crisis.

The Roma population, population with who we work with particularly in-- in OSF, between 2008 and 2009, unemployment among Bulgarian Roma increased by 20% points, but only one percentage point increase among the Bulgarian population, so that was looking at the economic crisis on unemployment. Clearly, the unique-- make a link to health, but as I've already shown, we would strongly expect that that would have an impact in health.

Then we have the exclusion of migrants from coverage and this is a paper that we published in the BNJ, where we looked at the situation in Spain where we reported the extension of co-payments. Essentially, the dismantling of the fundamental principles of the Spanish system, not by-- an act of parliament, but by a royal decree. This was never debated in the Cortez. This was simply taken through as-- a secondary legislation as a royal decree, moving essentially to an insurance system.

Increase as an existing co-payments and removal of coverage from undocumented migrants. Now the economists go to an article about our paper and-- that created a huge stir within Spain, which went up to the highest levels of the Spanish government in protest and so on and-- and in fact, did not come out in the printer, but addition, as a result of that, even though we could demonstrate that, in fact, the claims were completely false. So huge sensitivity.

In Greece, we published a paper recently talking about denialism. We showed that the Greek government's response was complete and total denial about the problem. We see exactly the same in Spain. Nearly a million people lost the right to comprehensive health care in Spain. Now some debate about how many of them were still actually in Spain at the time. Some of them had probably already returned to the countries of origin, but it was still a significant number of people.

In theory, they retain emergency protection during pregnancy birth and (UNINTEL) away team, but in practice, this is not the case. And as we-- we reported from other work, there were a large number of documented cases of where people essentially came up against bureaucratic barriers. People didn't understand the rules, but the Rea-- the-- the reality for them was, they did not get the care to which in theory, they were entitled and they certainly didn't get the care to which they no longer entitled.

And then we have the intensified control on migration (UNINTEL) frontiers work on a detention camp in Greece. And the accounts that come out from that, because I'm a prisoner for a long time. I feel that my mind is not working well anymore.

Excrement is falling from the toilets in the first floor to the ground floor. People are locked up inside almost all day. We're allowed in the yard, one hour in the morning and one hour in the evening and not always every day. Comatinia's (PH) not a detention center, it's a stable for animals.

And of course, these, the migrants in Greece, are being locked up largely as a result of the crisis. This is a response to the political situation, the political and the economic

situation in Greece. Operation Xenia Zeus (PH) in summer of 2012-- administrative detention has been used in a massive scale. 85,000 foreigners taken to police station to have their immigration status checked, basically on no more than their appearance, the fact that they looked like-- foreigners and yet only 6% were increasing locally.

But many, many were locked up for long periods of time. Again, accounts-- a 16-year-old boy who should not have been there. Obviously, we've got the international convention on the rights of the child, lots of international treaties, the-- the-- the-- this is, of course, a country that is-- a member of the council of Europe. There was a guy who was already 12 months in detention and the day that he was to be released, he was told the law had changed and he would be kept in custody for another six months.

He went mad, stopped eating and sewed his mouth. The police officers paid no attention for two or three days. When he fainted, he was taken out in handcuffs and a knife was used to open his mouth by force. To tell you the truth, the way they're treating us is very cruel. I had a severe toothache and was asking for a doctor for several weeks. Eventually, I was taken to the doctor because I was bleeding because I pulled it out myself.

And then finally, I think we look at the response from the general population and we are now talking in a day when we now have the results of the Hungarian general election when somebody reminded me. It was at 26% of the population voted for Jobbik. And if you don't know who Jobbik are, then these people down here on the right-- that is not a swastika on their armband, but it looks pretty like one to me. It's very similar.

FEMALE VOICE:

It might as well be one.

MARTIN MCKEE:

It might as well be one. It might as well be one. So the imagery is there, if only we would look. And here you have Flemish (PH) (UNINTEL) with the BMP. I've put up, you know, we need to be very careful about this reductio ad hidlarium (PH) and-- and invoking the Nazi threat, but I think it's pretty clear to me. I'm not suggesting it's identical, but I think that there are enough historical parallels that we should be worried about and remember, in the 1930s, that Nazism grew out of an economic crisis. It didn't come from nowhere. So we had an economic crisis then. We have an economic crisis now.

It-- we have-- people who we all think, these people, they're just in the fringes. Nobody cares, you know, they'll never get any support. They'll never do anything. That nice Mr. Hitler, he'll sort out the communist and the trade unionists and then

we'll put him in his place and-- you know, we'll-- we'll look after it.

Well, it didn't happen. I'm not saying that history is going to repeat itself, but I would note that history does have a bad habit of repeating itself. And we see the xenophobia and racial hatred. Anybody Dutch here will know this man. Gird Welders (PH), who said, "If you want -- do you want fewer or more Moroccans in your city?" And (UNINTEL) cried-- they cried, "Fewer, fewer. We're going to organize that." Now, at least that has created a split in his own party.

You know, there are people in his own party who say, "Well, actually, you know, now scales are falling from our eyes." But that is what we're seeing in Europe today. And of course, in Greece, Golden Dawn and you will know that there was a tape recording of the prime minister Samaras the other day, one of his aides-- one of his aides who was discussing-- with Golden Dawn, members of parliament about how a police investigation was essentially a sham. And-- it was only to provide cover-- to get at one of the other parties.

Other views, a little bit older. Belgians agree on one issue, foreigners and then the famous black sheep in the Swiss election poster, which we are told is not in any way racist. It's just, you know, because they've got lots of sheep and some of them happen to be black. (LAUGHTER) You will remember the scenes from the 1930s from movies like *Cabaret* and elsewhere. (UNINTEL) by doctors of the world, following an attack on their clinic by Golden Dawn, "We declare that we refuse to take fright and we will staunchly continue to defend the right to health care where-- whenever there are people. We deem that Golden Dawn bears moral responsibility for attacks on our clinics. We call upon the Greeks who share the same solidarity principles."

People are speaking up. People are standing up to this, but not in large enough numbers. I would say in a paper we published the other day, looking at the introduction of charges for migrants in the National Health Service. And one of the things that this is getting a bit of traction.

We're pointing out that essentially, you set up a system to charge migrants and a system that is currently free at the point of use. It's very easy to move to that from that to a situation where you charge everybody. So with that, I will leave you. I'll finish and thank you all very much and I'm happy to take any questions (APPLAUSE).

QUESTION:

(UNINTEL) Program. Thank you (UNINTEL) so much for the great presentation. I have a quick question. How would-- the (UNINTEL) crisis and the-- our (UNINTEL) between western world and Russia affect the austerity (?), existing austerity measures in western world and the austerity thinking? Thank you.

MARTIN MCKEE:

(LAUGHTER) Well, thank you for such an easy question. (LAUGHTER) I was saying to somebody earlier that, in fact, it is having repercussions in London, because the people in the most exclusive shops in Bond Street have noticed that their sales have gone down now that Russian oligarchs are no longer spending large sums of money, so I think we may well find people like Dolce and Gabbana and-- Chanel and-- and others probably will be feeling the squeeze, but not quite to the same degree as other people. I really don't know.

You know-- was it Churchill-- it was Churchill who said that Russia is, and I won't get it in the right order, but a mystery inside a riddle wrapped up in an enigma or something like that. Nobody can forecast what will happen. Quite why Putin did what he's done is a complete mystery to many people. No good will come out of it, but what the implications will be in terms of austerity, I have absolutely no idea.

QUESTION:

(UNINTEL) as you know, we-- are working a little bit in Greece, in particular on the access-- on the issue of access to medicines and what has been very interesting-- compared to we-- we-- we're used to working the rest of the world, where you have a vibrant, single society that things (?) that they-- that-- that want to fight for access to medicines as-- as a human right. And in Greece, you're going to find that people are-- maybe more fatalist or-- or-- there is not this-- this-- this feeling, like, this is something we can fight for. And I don't know whether we can internalize it in rest of Europe, but I think, I mean, many Europeans are maybe a little bit shocked or surprised by what is going on, but there is not a spontaneous sense, although we have had these rise for many years, to now fight for it. Did we lose that, because the-- the current generation has never had to fight for it? We inherited that from our parents' fights? Or what is your explanation why it's so difficult to actually get this rights movement back to--

MARTIN MCKEE:

I-- I think it's really-- a really an interesting question why, you know, you look at Europe, 1848, (UNINTEL) revolutions in Europe. There were revolutions almost everywhere apart from England, where we don't do revolutions, but everywhere else, there were riots in the streets. And that has not been happening. And of course, one of the problems is that most people in industrialized countries like are actually trapped in-- they're almost like indentured laborers in a way, because they've got mortgages. They've got pensions.

They've got all sorts of things that actually prevent them or act as a powerful stimulus not to go out on the streets. I also think there is an issue in Greece and I go back to (UNINTEL). Most of you (UNINTEL) is (UNINTEL) in the 1840s, '50s. And I said the

problem (?), even though he was a pathologist, the (UNINTEL) problem is the-- the lice, you know, a lot of problem, lice infestation is the entrenched part of the aristocracy and the part of the spiritual part of the church in-- in reinforcing that.

And I think you have a complex situation in Greece with the-- the role of the church, which has not-- a bit like the church in Russia, has not always necessarily been on the side of the angels, if I can put it that way and-- and-- and has been-- and-- and in Ireland also, of course, complicit in the-- that there was (UNINTEL) Ireland. But-- they establish order.

So I think that there are-- there issues there. But it is surprising in Greece, because remem-- rem-- we always remember there was a civil war in Greece in the late 1940s. The communist party, the-- the-- movements that were fighting the-- October 17th, is that right? Somebody correct me. The group that were-- you know, (UNINTEL) professors, finally captured a while back, who were murdering-- American diplomats and other people. I mean, that's been going on until relatively recently.

So it is actually quite surprising for somebody in Greece, but maybe somebody's who's Greek can help me by-- telling me why-- why are the Greeks not revolting? About why are they fatalists and what-- can't help but observe that the fates were, of course, from Greek mythology. So you know, maybe-- maybe they've got a longer tradition of this (UNINTEL PHRASE). Sorry (UNINTEL).

QUESTION:

Rate of (UNINTEL) in European (UNINTEL), 1.5 if you exclude (UNINTEL PHRASE) reported around what's the most difficult name for the boy in London is Muhammad. Same in New Zealand (?). If you extrapolate simple extrapolation, control your-- natives (UNINTEL PHRASE) in European country would become minority. So what do you expect from (UNINTEL) choices? (LAUGHTER)

MARINE BUISSONNIERE:

Just ignore them.

(OFF-MIC CONVERSATION)

MARTIN MCKEE:

I'm not quite sure what I'd tell them expect that you should never extrapolate from current data because things change. Fortunately-- you live in a adaptive society. So linear extrapolations are not necessarily-- they're not a good guide to (UNINTEL PHRASE).

QUESTION:

Yes, thank you, Martin, for that incredibly inspiring and-- and very sad-- talk, really, about the state of Europe. Coming from Hungary-- I'm not surprised but I'm devastated by the result of-- of-- yesterday's election. I went to vote right before I got on the plane-- to come to New York against the-- the-- the regime.

And as you point out in your-- presentation, the rise of the right is a-- real issue. And it's-- it's very much connected to-- to all of this. And what I'm wondering is that, you know, I-- I-- I-- we have no excuse. I mean, maybe the first time-- electing Orbán with his super-majority in the Parliament was-- was a mistake.

It-- I guess it's a clear choice now. It's-- it's been made. And what does that say about-- about-- and the right wing is taking an increased role now-- in the Parliament. What does that say about-- how we solve-- some of this? And-- and how do we-- how do we advocate against the-- the rise of the right? How do we change the narrative?

MARTIN MCKEE:

Well, I'll tell-- let me take a couple of questions, because otherwise we'll be-- John.

QUESTION:

Yeah, thanks-- thanks, Martin. This is probably the subject of a whole other lecture. You've probably written several books on it. So (LAUGHTER) forgive me in advance. But I'm wondering what in light of this you think the role of the European Union is in health policy? (LAUGHTER)

And I ask because a huge dimension of this is the profound loss of faith in the E.U. And Silas and others, of course, have written about the failure of the E.U. to show leadership on financial and economic policy. And health hasn't traditionally been really part of the E.U. mandate, but a lot of the issues they're talking about like migrant health, cross borders.

And with the E.U. elections coming up there's so much skepticism and Euro-skeptics running and so forth. So is part of the solution to this a stronger E.U. role on health policy? And is that (UNINTEL PHRASE)-- realistic and something we should be advocating--

(OVERTALK)

MARTIN MCKEE:

Okay, let me pick up with Judith's point first. I think we need to (TAPE SKIPS) something about the narrative. The problem is, of course, the media are not

sympathetic. Media is, again, controlled by a small number of oligarchs-- who have an inordinate influence in what gets reported and what doesn't.

You know, I think (UNINTEL PHRASE) look in the U.K. whenever some of you might remember the-- the government-- our government, which is not a (UNINTEL PHRASE)-- to-- to (UNINTEL PHRASE) in the media used-- 9/11-- both the press-- both of them said, "Today is a good day to bury bad news."

And I think those of us who are more cynical say, "Every day-- why is this story not appearing in this paper on this day?" (COUGH) Because we're so used to being-- late. Or we so used to getting partial stories. I couldn't-- I-- I think we have looked up. I could have shown a whole series of slides of the-- *The Daily Mail*, which is our equivalent of Fox News.

Which is-- is-- you know, demonizing migrancy, demonizing (UNINTEL PHRASE) of the population, which isn't speaking out. You know, it's back to Edmond Burke about people, you know, all that was required for evil to succeed is for good people to remain silent. So I think-- and we do not. The role of the European Union is complicated. Because under (UNINTEL PHRASE) that we have a very pro-market European Commission. And D.G. Sanco-- I've got a slide somewhere else, which actually looks at-- as the European Union has expanded, which country has had the health portfolio.

And you look at it by total G.D.P. So population (UNINTEL PHRASE) G.D.P. per capita. The health portfolio always goes to one of the two countries with the lowest G.D.P., which tells you something about the status. At the present time, not helped by the former health commissioner getting involved in all sorts of dubious activities, which even though we actually exposed some of it.

But God knows what was going on there. I'm completely mystified as to why a European Commissioner gets into a private jet and flies with his family to the Bahamas without telling anybody. (LAUGHTER) Still intriguing. But the tobacco industry clearly had a lot to do with it. (LAUGHTER) You know, it didn't actually help the reputation.

And we've pointed out-- we've argued that the commission has a treaty obligation to the value that the impact of health in all the European Union's policies. It is clear as day. It is absolutely clear. And yet it has, until recently, not done anything. That is not the fault of D.G. Sanco. The health director channel. They have worked very hard to do that. But they are totally marginalized within the commission. That's the problem.

(MARINE BUISSONNIERE: UNINTEL)

QUESTION:

Hi, there. Hi. I'm-- I'm writing on campaign donations and the effect on-- the policies that are selected. And-- and one of the things-- that studies have found is

that the policy flows mostly from the opinion of the donors more than the average voter.

Now-- that may have something to do with the choice of austerity as a solution in the various countries. It certainly had to do with the choice of de-regulation that resulted in financial crisis that resulted in blackmailing these countries kept run up (UNINTEL) debts. And-- but isn't it partially the financial community that is pushing for austerity from a problem that they caused? And what would you say is a solution?

MARTIN MCKEE:

Oh, you see, I-- I used to hold your view up until a-- you know, few days ago. And then I was told by a very authoritative source, Chief Justice Roberts, said to his colleagues-- that I was wrong. So now that (LAUGHTER) the Supreme Court has told us that we're both wrong, you know, we-- we clearly need to change our views.

But that's more in internal (UNINTEL PHRASE) over here. On the other hand, people like Thomas Piketty, who's had a lot of-- to go back to France again. And who has-- pointed out that one of the problems is that we now have a super-elite and the Oxfam statistic of 80 people-- in the world who make the wealth equivalent of the entire bottom 50%.

And-- the-- Koch Brothers in the U.S. The-- super-PACs. All the-- all the mechanisms that you have here to get around things which in Europe we-- we don't have to the same extent. But, you know, I think you're absolutely right. We have had a situation in which-- and I think one of your American authors put it well, Thomas Frank's-- his books *What's the Matter with Kansas?* Pity the billionaires.

Where he says, "How is it that over the last 30 years the political establishment here has consistently got pure white people to vote against their own interests?" Which it has done. And it is the frame of the narratives at the Fox News, which did have an effect.

There's an N.B.E.R. report looking at voting by city, by state-- between '96 and 2000 whenever it was rolled out in cable, showing that it did clearly-- lead to a shift of about 4% to the Republicans. So the-- the media here certainly has a role. The fact that it's controlled by a small number of people. We have Rupert Murdoch, you have Rupert Murdoch.

I'm not sure what nationality he is anymore, actually. (LAUGHTER) He's sort of floating out there globally, isn't he? But, you know, we-- we sort of share him in a way. Although I'm sure both of us would be happy to get rid of him. (LAUGHTER)

QUESTION:

Richard Delovich (PH), Columbia University. I was thinking about what you were saying about the relation of unemployment and suicide. And also-- you were talkin'

about kind of gendering-- networks and protections. And I wonder if you added age as a variable--

MARTIN MCKEE:

Oh, yeah.

QUESTION:

--if amongst younger people-- you find that the connection might be drug use-- rather than suicide? And that in-- you know, people focus constantly on drugs. But in drug use there's also a sociality. And so it's like as-- the-- logic of young people's lives: education, jobs, prospects for a future disintegrate. It's sort of like the grouting is-- disintegrating. And a sociality that organizes drug use amongst people-- replaces that. That people are using each other not just drugs.

MARTIN MCKEE:

Yeah. And I think there is an element of truth (UNINTEL PHRASE) think it's more complicated. Because the mechanisms by which people commit suicide are-- are socially pat-- culturally patterned. So in Eastern Europe, former Soviet Union they hang themselves, for example. Typically in the U.K. people take overdoses of-- of-- prescription drugs.

So there's-- there-- and-- and the changes over time. So the introduction of blister packs-- and-- for-- for a number of-- drugs in the U.K. has reduced that as a way of doing things. Removal of coal gas, again. So there's a whole series of factors involved in how people commit suicide.

But as a general principle, what you're-- I think what is interesting is. But if you look across the world at some of the most marginalized communities, in aboriginal communities who are marginalized almost everywhere, probably less in New Zealand for particular reasons (UNINTEL PHRASE). But elsewhere you do get this very high level of self-destructive behavior. And the-- the-- the means by which that is continued, it varies.

It may be cocaine in inner city New York. It may be-- sniffing glue-- in-- in-- in Australian aborigines. It may be alcohol in-- first nation Canadians. It could be all sorts of things. But there is a general tendency there for young single men in-- the-- you know, in their-- their mid-20s-- to the-- their 40s to indulge in some form of self-destructive behavior.

And it can change quite rapidly. And if you read Glavos (PH), that the-- the tipping point, I think it was, where he describes high-- in-- somebody will correct me. Either New Hebrides or-- or Vanu-- I think Vanuatu. Where there was this sort of academic

ones-- one chief's son hanged himself. There was a sort of, you know, copying. So I-- I think-- things can change quite rapidly over time. So they are culturally patterned. But in general this sort of self-destructive behavior is quite common.

QUESTION:

Steve (UNINTEL PHRASE) from the Society (UNINTEL PHRASE). In a number of the countries you mentioned-- austerity as a matter of public policy came about-- as-- as a result of the democratic process. In other words, austerity-favoring parties were elected to government and they opposed those policies.

Though you included-- you mentioned-- the Spanish case where the-- a royal decree swept away existing-- universal policies. I wonder if you could speak to that-- element. In other words, democratic (UNINTEL) can't always be trusted to impose austerity on themselves.

And where they don't do that, as in Detroit, for example, or-- I mean, a spiritual adjustment isn't-- imposed by the (UNINTEL PHRASE)-- is a form of austerity imposed on the global south. You know, in other words, austerity is too important a policy to be left to the-- unpredictability of the voters.

What do you think-- have you looked into the kind of long term effects of austerity on governments? In other words-- in other words-- there are efforts to-- to curtail the role of the electorate in-- in acting as a champion of austerity. But then are there also kind of cascading effects?

MARTIN MCKEE:

Yeah. I-- I-- I've written about this in an (UNINTEL PHRASE) context. There's more human rights more generally in-- in the U.K., whether it be a (UNINTEL) or success of government's right handler to write letters and sort of vote on.

And we (UNINTEL PHRASE) a written constitution. And more and more what they're trying to do with legislation is to remove (UNINTEL) related session and-- and the activities of government from judicial scrutiny. So more and more things can no longer be charged. And after a minute, those (UNINTEL PHRASE) to say governments are being tied up with judiciary reviews. So let's remove many of their activities.

There definitely is-- an attempt to get the activities of government away-- outside the rule of-- of law. In fact, apparently, going back to, you know, (UNINTEL PHRASE) in '89. So there-- I've looked at that in the U.K. I think the long-- long term effects-- but the problem is, of course, they have effective self-disenfranchisement-- more and more and actual turn-outs are falling everywhere.

And people are becoming more and more disillusioned. I think the situation in a country like Spain is who do you vote for? Because the Socialists are getting-- getting

pathetic. You may not like Rajoy but do you particularly like the alternatives? So, you know, when you see the other party as being incapable of getting its act together and having a single message-- having any real credibility, I think that-- that is a difficulty.

And, you know, I think in France it's (UNINTEL PHRASE) that way as well. Where (UNINTEL) don't quite what is going on. Trying to make any sense of any (UNINTEL PHRASE) recent appointment of-- (UNINTEL PHRASE) cabinet. And-- in a way-- the problem has been I think with social Democrats said to their parties their-- their failure to create-- an appealing narrative partly defensibly because of the massive power of the media.

I think that's clearly a difficulty. And we had a situation at the minute where we have-- a cabinet minister in England-- (UNINTEL PHRASE) culture minister that-- culture, media and sport who has definitely transgressed-- with her expenses. There's no doubt about that. But the fact that she also presided over the introduction of gay marriage and-- regulation of the press has a lot to do with the way in which the story is being run. You know, as-- with anything she had done would have been fine.

You know, (UNINTEL PHRASE) the media I think is-- is challenging. But it is-- it does, you know, (UNINTEL PHRASE) parties to get their act together. And sadly they seem to be more concerned about fighting among themselves-- than-- than moving forward. It reminds, I said-- said to somebody earlier, of the-- apocryphal story about every Irish civil society movement where at its first meeting, the item on the agenda is the forthcoming split. (LAUGHTER)

MARINE BUISSONNIERE:

Please?

QUESTION:

My-- my (UNINTEL PHRASE)-- thanks for a wonderful talk. As a (UNINTEL PHRASE) question on the role of the health sector. And I think there is (UNINTEL PHRASE) in the world (UNINTEL PHRASE) was maybe (UNINTEL PHRASE).

MARTIN MCKEE:

Well, we create it, actually.

QUESTION:

Right. (LAUGHTER) So--

MARTIN MCKEE:

I'd like to put that on record. We did--
(OVERTALK)

QUESTION:

In-- in the '80s in-- in New Zealand, for example, Maoris-- the people who seen as the shock absorbers of the economy. (UNINTEL PHRASE) is well-known. And he-- that's what happens. I'm just wondering, do you think perhaps that the problem with the health sector, we know that these things undermine (UNINTEL) communities, right?

And often we confront that we're quite polite. And we confront that with evidence. Whether that's, you know, in this room. You know, how direct are we when people say things in this room to confront that. And how direct are we-- I mean, hype is-- are excellent and we are swept by that.

But what-- what-- do we need to be reaching out to things around riots? Around things that sort of invigorate people more than being polite, staying-- our normal rounds than just m-- (UNINTEL PHRASE). This is not about ignorance. About ideology.

MARTIN MCKEE:

Yeah, I-- people-- we may be betting a category. Or there's a very famous quotation many of you will be familiar with-- which I know that, in fact, Horace Silas (PH) quotes in one of his books. But it's been quoted elsewhere in the other f-- famous book, *The Men Who Stare at Goats*.

Which was an interview with a senior official in the Bush administration who said "Well, you-- you-- you talk to me about Athens and the Enlightenment. We're an empire (UNINTEL PHRASE) in reality." And-- so-- my favorite one is-- and it's about honesty and integrity. And-- Peter Mendelsohn (PH), who's one of our ministers, went on to be a European commissioner. Very close colleague of-- of Tony Blair's.

Said-- "And if I am to be honest now, at-- at this time in my life, I've nothing to lose by being honest." And-- one of our media-- you know, commentators, Simon (UNINTEL PHRASE), now departed-- said, "It was amazing he talked about taking up honesty in lid-- middle age like something you would take up for a hobby like-- angling or-- or-- or-- (LAUGHTER) chess or-- or something like that."

Like an optional extra to tack onto life. I'm not doing anything else, I might as well be honest for a while. (LAUGHTER) So I-- I think-- I'm not really shocked at the-- the-- the-- that. I-- I think-- there is an issue about this sort of post-modernist-- approach.

Francis Wheen in the U.K. wrote a famous book -- *How Mumbo-Jumbo Conquered the World*. And this was looking the the Blair administration-- where words, to quote Lewis Carroll the-- I should say Lewis Carroll and Douglas Adams are-- are actually very helpful as guides to political philosophy.

But-- Humpty Dumpty, you'll recall, said, "Words mean what I choose them to mean." (LAUGHTER) And the Red Queen said, "If you've done six impossible things before breakfast, why not do a seventh?" So I think that-- that sort of helps us to understand his sort of post-modernist non-reality that many of our politicians live in. And I think we are making a category error. But maybe we should just be all go out there and rising. But none of us are goin' to that. So we just need to shout louder. (LAUGHTER)

QUESTION:

Hi. And Daniel-- (UNINTEL PHRASE) Daniel Wolfe from the Public Health Program. Thank you. One of the things that was interesting about the Greek case-- is that in some ways people-- some of the people that you quoted, for example, Fox News, the Tea Party here, et cetera, actually were following-- the case quite closely. But-- not exactly in the way that you would expect. So at one point the World Health Organization erroneously published a report alleging that Greeks were intentionally injecting themselves.

MARTIN MCKEE:

Misquoting one of our papers. That should be--

QUESTION:

Yes.

MARTIN MCKEE:

I know. Thank you.

QUESTION:

And-- but--

MARTIN MCKEE:

But we were-- (UNINTEL PHRASE) what we said.

QUESTION:

So the interesting thing for me about that was that the Tea Party-- Twitter accounts reproduced this. Fox News concluded, "This is what you get-- what do you expect from the welfare state?" So there was a kind of resonance among the opponents of-- of any kind of government bailout. And I'm curious if the opposite is true. Like, do you have interlocutors in Greece? Or who-- who are the people who are sort of on, quote, your side of the anti-austerity analysis in Greece? And/or in the U.S.?

MARTIN MCKEE:

Yeah. I mean, it's really, really difficult. I got an email sent to us to-- yesterday from something called the Greek Solidarity Campaign. People are planning on going on (UNINTEL PHRASE) from the U.K. to-- something. But we've been working with people who are-- you know, who are Greeks who are working in-- in the U.K.

We've had-- I know that our work is quoted but very politicized in Greece. So it's quoted by some people and not by others. There's been an extremely active program of denial by the Greek government and-- and particularly the-- famous Dr. Maragopoulos (PH) who keeps attacking our work. And others who-- who fail to declare their-- their earnings to the-- the Greek government.

It's-- I-- it's really difficult. There-- there's hasn't been-- there hasn't been that-- I mean, there are-- I know many of my colleagues in Greece, academics who are very sympathetic to what we do. But have not been-- willing to make a stand on it.

And, of course, they are suffering. I mean, I'm-- I'm on the advisory board for the (UNINTEL) public health indirectly. And-- and-- they've had huge cuts to their salaries. Their conditions are really, really difficult. So (UNINTEL PHRASE) and I suppose they're-- they're adopting a sort of survival approach. It's difficult to condemn people when they're in that situation. But maybe one of the things we can do is to-- is to speak on their behalf.

QUESTION:

Hi. (UNINTEL PHRASE) I just wanted to ask-- is-- (CLEARS THROAT) is there any parallel within the European community to the occupy movement in this country?

MARTIN MCKEE:

We have an occupy movement as well.

(OVERTALK)

QUESTION:

And-- is it in any moving-- issues-- to the forefront more? And to what degree are young people again a-- an engine for moving this-- territory? They don't have the mortgages. They don't have many of the things that you've cited as potential-- limits of making change.

MARTIN MCKEE:

I-- I mean, I wonder if we're gonna risk any change or not. It's interesting, they haven't-- we-- we did have the occupy group at our St. Paul's Cathedral. And in fact the church authorities-- rather than-- and getting-- Christ and turning over the money lender's tables-- actually were sitting at the tables with the money lenders.

And that led the-- the (UNINTEL PHRASE) polls to-- to resign. And-- so-- (UNINTEL PHRASE) church, of course, has benefitted greatly. The church (UNINTEL PHRASE) in the city of London from largesse, the corporations. But there was a long-standing occupy camp outside St. Pauls' Cathedral.

I think organizing in London is that there is a generation who are realizing that they're being totally priced out of the housing market. Because we're in the middle of a massive housing bubble-- with most of the new accommodation being bought off land by speculators from the Far East. At-- at massive-- increase (UNINTEL PHRASE), about 18% increase in housing prices in the last year.

So I think we may-- I mean, that-- that's not getting onto the (UNINTEL PHRASE). Particularly because the current government has actually stimulated a further rise in house prices with its rather bizarre policies. So it could be. Could be. But it hasn't happened yet.

QUESTION:

Last Thursday, *The New York Times* front page of the business section said it looks like Malthus after all, after 200 years is gonna turn out to be correct. And that-- people are gonna have (THUMP) food supply. I know for the past 50 or 60 years that has not been the prevailing opinion. But *The Times* said, well, based on the burning of fossil fuels and-- it's all based on that, that turns out Malthus, looks like he was-- gonna be right. Your opinion about that? I'm sure you have opinion on this Malthusian--

MARTIN MCKEE:

Yeah. I'm-- of course, I knew Morris-- he knew quite well that they said he argued about democratic entrapment. And (UNINTEL PHRASE) for a long time. A statistic came out the other day-- British parliamentary committee-- looking at food waste.

And showed that there is as much food wasted in the United Kingdom every year as the net production of food for the whole of Africa.

So there is still plenty of food around. There is a larger question about the control of the global food economy by agribusiness. And with the small number-- (UNINTEL PHRASE) small number of companies that actually control the global food market.

And in particular the use by sov-- sovereign (UNINTEL PHRASE) funds buying up land in places like Madagascar and (UNINTEL PHRASE) secure food supplies. I think-- somebody this week-- was it World Bank? Somebody remind me. Predicted-- though there could be food conflicts in the next decade. So as with water. Who was it? Can anybody remember?

Some report came out, anyway-- I read somewhere. But I-- I mean, I think-- I think the thing is that we-- we do have an ability to correct these things. There is the potential out there to-- to support probably an even larger population. I think at the longer term you may have a point and it's not Malthusian. But it's a simple issue of entropy.

And that is that we have a planet where we can make all sorts of things. And particular now we need more and more of the rarer things. Like the tantalum in your phones or the iridium in G.P.S. devices. Or the Americium in fire-- in smoke detectors which are all extractable because they were concentrated in different bits of the earth. There are places you can mine them. (UNINTEL PHRASE) for doing this, we're reducing those reserves and scattering them into landfill sites all over the world. Eventually we will run out of some of those. And there's an issue around water as well. I'm not quite sure, I think it's a neo-Malthusian issue. But I think the whole point about entropy I think is-- is important there.

(MARINE BUISSONNIERE: UNINTEL)

QUESTION:

Yeah. Thank you so much.

MARTIN MCKEE:

We must be getting near the end of questions, are we?

MARINE BUISSONNIERE:

We're almost there, Martin. Almost.

MARTIN MCKEE:

I feel it. Have I passed the exam? (LAUGHTER) Do I get the job, Marine? (LAUGHTER)

QUESTION:

Thank you again for the talk, Martin. It-- it-- it was a tour de force. And-- and so many-- provocations. There-- there's many questions I'd like to ask. But-- the-- the one where I-- I've come to kind of land is-- is-- you know, your-- your talk is-- is-- has exposed or reminded us again of-- you know, that politics is-- is probably the supreme determinant of health. And-- and I'm not sure that we realize that point enough in public health.

And-- and so I guess my-- my question to you is-- is that, you know, for us in-- in New York either working in philanthropy or working in public health or working in academia, how do we-- how do we kind of swallow that realization? And how do we act upon that-- that-- question? I mean, to go back to then-- and you know, what-- what is to be done?

MARTIN MCKEE:

Well, maybe we should (UNINTEL PHRASE) the Charité Hospital in Berlin. And had a large statue of Rudolph Virchow sitting outside our front door (LAUGHTER) to remind people that as he said, "Medicine's only politics writ large." (LAUGHTER) You know, I don't think we can escape-- he was right then.

And any-- any of the studies-- and it's not just, you know, politics against medicine. Medicine against politics. You know, the-- the-- the Black Death in 1340 years and the-- and the-- the-- absence of peasants for the next couple of decades had a powerful role on land reform in Western Europe, although not in Russia because it didn't reach there.

And a powerful role in the Reformation as there were no longer enough priests to-- bury the dead. And you had to find a way in which (UNINTEL PHRASE) was actually preferentially killing off all the priests who were ministering for the Plague victims.

So, you know, me-- (LAUGHTER) medicine and-- and health has had a big impact in-- in lots of ways. In both-- in both directions. You know, and (UNINTEL PHRASE) and all those described this. So, yeah-- I-- I think-- I think it's about the narrative. And to-- to frame it.

And also to the absolutely resolute. I mean, there is a debate-- you know, I'm-- some of you-- you know, my teaching. We talk about we have one of the exercises (UNINTEL PHRASE). Ken Rothman who says that the epidemiologist should leave his values at the door of the laboratory. Whereas Robert (UNINTEL PHRASE)-- as-- as we wrote recently (UNINTEL PHRASE) argued very clearly that public health, we

have to (UNINTEL PHRASE) the issues.

And there is a big dichotomy or division within epidemiology, public health. And I think we should just be segregated again. And-- I don't know. I mean, and the thing is that if you follow this all through to the logical conclusion, you'd give up. (LAUGHTER) And I probably will very soon. (LAUGHTER) But-- (UNINTEL PHRASE).

MARINE BUISSONNIERE:

So I think we can all-- reflect on-- one thing Martin said in passing earlier, which is-- the quote he loves from Burke who had-- who-- who says that all it takes for evil to succeed is for good men to remain silent. And agree that certainly Martin has not remained silent. (LAUGHTER) And thank him for this-- his lecture. (APPLAUSE) (OVERTALK)

* * *END OF TRANSCRIPT* * *