

Socio Economic Status, Economic Scarcity and Mental Health

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In an ideal world there would not be any resource limitations and economists would cease to exist. Such worlds do not exist and most, if not all, resources are limited. Resources are not uniformly distributed in populations and in economic terms everything, including clean air, has a price tag.

Health is a resource and theories of economics could be usefully applied to address the impact of economic scarcity on health of the individual and populations. As Sri Lanka confronts the worst economic crisis since independence, the fallout on health is on the agenda.

Socio economic disparity can have effects on both physical and mental health and recent studies indicate psychological distress may be the intermediate step that leads to poor physical outcome associated with the low socio-economic status as well.¹ These observations indicate the inseparability of physical health from mental health. As the slogan says there is no (physical) health without mental health.

Socio economic status (SES) includes economic and social domains in one metric, often measuring a person's economic and social position in relation to others, based on income, education, and occupation.

It is well established that low socio-economic status is associated with poor mental health. As a country's economic status worsens we could expect the general psychological wellbeing of the population to suffer. The relationship between SES and psychiatric disorder has been a consistent finding in many generations of epidemiological studies. Inverse relations have been found with total rates for schizophrenia, the personality disorders and substance abuse and for symptoms in scales of nonspecific distress.²

Two explanations have been proposed for this association, the social causation theory or stress


induced hypotheses and social drift hypotheses/selection explanation. The latter proposed by researchers inclined for genetic or biological explanation.

Social causation sees two pathways that operate when faced with social disadvantage to have an adverse effect on mental health. Firstly, the protective factors that guard against mental ill health are weakened. Secondly, the risk factors for mental ill health are either created or amplified.³ For example, employment is a protective factor for mental health and Job insecurity can have a spiraling effect on mental health. Poverty is a pervasive risk factor for poor mental health. It has a detrimental effect on both physical and mental health. Individuals in poverty are in a continuous state of elevated stress. Poverty limits their access to the available resources as well, compounding the impact. The resulting poor mental state or illness would limit the affected individual's ability to earn further.

When impact of economics on health is considered related concept economic scarcity is more useful.⁴ Scarcity means resources are inadequate to support the wants. Allocation of limited means to fulfill needs and potentially unlimited wants is considered the essential problem in economics. While the idea of "needs" indicate a degree of objectivity compared to a given yardstick, "wants" involves a subjective component. While an access to a timely transport method or a nutritious food is a need, needing a German made luxury vehicle for the transport or an imported processed food as a snack is a want that has specific subjectivity attached to it.

Economic scarcity could be demand-induced, supply-induced, and structural. Demand-induced refers to when supply remains static, and demand grows. It is well known that demands could be induced by many means and such demands are not aligned with the needs based on an objective yardstick. Supply-induced is when the supply of a resource is below that of the demand, and structural is when a proportion of a population does not have the same access to resources as another proportion of the population.

Current economic turmoil in the country has result-

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ed in an economic scarcity of the last two kinds. On one hand the essential resources for basic maintenance has been found wanted and expensive and as a result the proportion of the population who is unable to get access to the basics has risen. Nutrition is one such area and in the current issue of JRCs we publish a review of how socio economics has affected childhood nutrition in Sri Lanka.⁵

Despite well-known associations of SES and scarcity with poor health outcomes, a trend in the recent past has been to emphasize individual factors as the causation and the point of intervention, at the expense of macro level societal factors.

It is not difficult to see the role of biology in social causation. Elevated levels of cytokines and immune mediators, chromosomal aging and selective changes in brain circuitry are known to be associated with stress, underpinning the biological substrate of social stress that leads to poor physical and mental health outcomes.¹

Though the almost all are affected by an ongoing economic crisis, not all are affected equally. Marginalized segments in the society are disproportionately affected, necessitating mitigating efforts having a special emphasis on addressing needs of these segments.

Some of the interventions needed are clearly beyond the scope of health system. The evidence indicates the social protection mechanisms are crucial in mitigating impact on mental health in a situation of economic crisis.

It is also vital to have an insight into the processes involved in association between economic scarcity and poor mental health. It is not only the real income that determines the poor mental health outcome. Even when universal access to health care is available, mental health appears to be closely related to subjective appreciation of scarcity. Metrics like Gini coefficient that denotes the relative disparity are more predictive of mental health outcomes than the income or wealth.⁶ When in scarcity mindset, the affected take poor economic decisions further aggravating the impacts.⁷

These studies suggest individual perspectives play an important role in determining the impact of economic scarcity. Perceptions amplify scarcity by comparison with an assumed level that is normal

for the population. Material poverty and subjective economic status differ, and it is via the latter channel that effects on mental health operate.

Though not popular with economists, reducing demand is one way to address the mental health impacts of economic scarcity. This approach could be usefully utilized in combating the effects of economic scarcity at an individual and at societal levels as well. Health advocates agenda should not be to save the economic models but to ensure public wellbeing.

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