AUSTERITY, ECONOMIC CRISIS, AND THEIR PERSISTENT EFFECTS ON MENTAL HEALTH IN GREECE

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Abstract: Since its beginning in 2008, the on-going global economic crisis has left many countries struggling with a disaster. Greece is probably the worst affected country, having lost close to a third of its economic productivity, and being still under the imposition of harsh austerity measures. Individual mental health has suffered, as suicide, depression and anxiety, among others, substantially rose during the crisis. Despite efforts to protect mental health systems, they were severely and persistently affected, and evidence suggests that eventually they started failing to meet the health needs of the population. In this narrative review we sought to explore the reasons for this persistent detrimental effect. We identified several evidence-based examples of resonating factors that could help explain why the effects of the crisis are so persistent. We suggest that mental health systems need additional support and investment to overcome the resonating effects of the crisis and to meet the population’s mental health needs. We also suggest that such resonating effects should be taken into account for contingency planning and the prevention of future crises.

Key words: Economic crisis, mental health systems, austerity, Greece, refugees, mental health, inequality, unemployment
**Introduction**

The current global economic crisis has severely affected individual mental health and mental health systems across Europe and the world [1]. Greece is suffering the effects of the on-going economic crisis, which are composed of the primary effects of the crisis, enhanced by subsequently imposed austerity measures. The crisis years have been associated with a dramatic drop in Gross Domestic Product (GDP has fallen by 29% since 2008), and a devastating rise in unemployment (from 7.6% in 2008, to 26.5% in 2014) [2], poverty and house insecurity, among others. The crisis initially affected Greece’s economy, but subsequently spread to every aspect of society. Inevitably, it affected the coping capacity of health systems through simultaneous budget cuts and increased demand.

In 2009, the World Health Organisation warned that the global economic crisis would pose a risk for health systems and advised effectiveness in the way States manage expenditure and employment, and suggested preparing systems for functioning with less money. The WHO focused on the need to prevent health inequities, maintain access to services, and support the poor [3]. In Greece, all these warnings, and more, became reality. Greece’s health system was severely affected. Public expenditure dropped by 36% between 2009 and 2014 [4], whereas per capita expenditure for health dropped from 3,094 US$ in 2008 to 1,743 US$ in 2014 [5], representing a drop of 44%. In mental health, during the crisis public expenditure in Greece hovered between 0.16-0.19% of GDP, which means that in absolute terms it decreased in agreement with the drop in GDP, i.e. circa 29% since 2008.

**Resonant effects on mental health services**

It has already been identified that crises tend to affect mental health harder than other areas. Current evidence about the systemic effect of the crisis in Greece reveals a synergistic pattern of resonance of various effects, which may be able to contribute towards an explanation as to why the crisis is so difficult to overcome in Greece [6].

**Systemic resilience**

Prior to the economic crisis, mental health services in Greece had been going through a chronic period of reform, and had demonstrated remarkable progress, but also a lot more to be desired, making their reform an unfinished one [7]. In practice, this meant that services and the mental health system as a whole were not ready to bear significant acute pressures, such as those of the economic crisis and the associated measures of austerity, especially as the latter are known to affect mental health systems disproportionately [6]. This acute-on-chronic effect of the crisis on the system has been highlighted emphatically [8,9,10,11] and has been described as catastrophic. This phenomenon has been captured also in the effects of fiscal austerity policies on pre-existing weak social protection [12]. The authors in this publication make a
cautious, but very intriguing comparison between the effects on health in countries that had austerity (Greece, Portugal, Spain), and one which voted against its imposition (Iceland), tentatively concluding that health and social crises are escalated by the effect of austerity on weak systems.

The Greek mental health system bulged under the pressure as demand rose and capacity diminished. In 2010, austerity resulted in unaffordable private care, which led to a 25-30% drop in private admissions due to cost. This inevitably resulted in a 24% increase of attendances at State hospitals. At the same time, State healthcare budgets were severely depleted by imposed austerity policies, thus creating a perfect storm for the system [13]. To give a pragmatic example, we refer to evidence from Child Psychiatry services, which reported a 40% reduction in mental healthcare professionals’ salaries while trying to deal with a rising number of referrals [14]. This has contributed to a freefall of morale and a high burnout rate. To make matters worse, cuts in the social care budget and the discontinuation of non-recurrently funded NGO-led services resulted in social care caseload diversions to public health services, particularly mental health. The confluence of increased demand for public services and budget cuts to the same public services, has resulted in a vast increase in unmet healthcare needs in Greece [15]. European Union Statistics on Income and Living Condition (EU-SILC) data show a steep rise in unmet medical needs in Greece from 7% in 2008 to 13.9% in 2013 [16]. Eurostat reports a similar rise in unmet health needs in Greece, from 4% in 2009 to 10.7% in 2015 [4].

Unemployment

There is another well known example of such resonance of effects: There is a well documented association between unemployment and poor mental health and suicide. During the unfolding of the crisis, this association became more pronounced, reinforced by other effects of the crisis. Drydakis and colleagues were able to show that the link of unemployment and poor mental health was stronger in 2010-13 compared to 2008-09 [17]. This observation was corroborated by Rachiotis and colleagues, through a case series analysis of data from the Hellenic Statistical Authority, aimed at identifying discontinuities in suicide trends in the periods 2003-2010 and 2011-2012. The authors reported a 35% rise in suicide rates between 2010 and 2012 and also a positive correlation between unemployment and suicide rates [18]. It has been suggested that these findings could be related to an acute response of the Greek population to the rapid and dramatic changes of socioeconomic conditions induced by the radical austerity programmes. Further, it is notable that a 39% increase in suicide rates was recorded between 1989 and 1994 in Russian men during the implementation of the ‘shock therapy’ programmes [18].
The refugee crisis

A further very important example of compounding is offered by observing how the ongoing refugee crisis and the financial crisis have multiplied each other’s detrimental effects. The effect is seen on individuals’ health (locals and refugees alike), and a number of systemic features, including overloading of the system, and a societal rise in tensions and worsening of stigma and discrimination, among many other effects [13,19, 20, 13].

Inequality

There is strong evidence in the literature, suggestive (but not conclusive) of a causal link between inequality and mental illness, implied by Pickett and Wilkinson [22] in the very strong presence of income inequality in countries with high prevalence of mental illness. We have already identified inequality as an important factor in the exacerbation of the effects of financial crises on individual and systemic mental health [6]. Indeed, the relative gap in self-reported unmet health needs between the rich and the poor parts of the population increased 10-fold between 2008 and 2013 [6]. The same authors report that austerity has preferentially affected vulnerable populations, such as those who are uninsured, migrants and intravenous drug users, while the rate of unmet health needs for the rich has actually decreased during the crisis. These results are corroborated by the fact that unmet health needs increased more steeply for the unemployed during the crisis (6.5% in 2009, increased to 15.0% in 2015 for unemployed; 4% in 2009, increased to 10.7% in 2015 for employed) [4]. Another aspect of inequality in mental health services is related to regional differences in mental health provision. There is some evidence from Greece that an association between regional variations in suicide in Greece and provision of mental health services was observed even before crisis [23].

Conclusion

The 2009 WHO report served as a warning for governments to prepare for the consequences of the economic crisis on health. As far as the mental health system in Greece is concerned, fears have not only materialised, but seem to persist. We have identified a number of examples suggesting that effects are multiplied when more than one adverse factors synergise. We suggest that investment and reform are currently warranted, so that mental health systems overcome these detrimental resonating effects and meet the mental health needs of the population, including preventing further psychiatric morbidity. We also suggest that provisions should be made for mental health systems to be supported against future crises, keeping in mind the contingencies required to deal with these resonating effects.

Declaration

The authors declare no conflicts of interest.
References

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