The Heavy Burden of Obesity: The Economics of Prevention

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I am excited to be here today to share with you the new OECD report on the Heavy Burden of Obesity, and the Economics of Prevention.

Nearly a decade ago, the OECD launched its first major report on obesity: Fit not Fat. The report called for a strong policy responses to deal with increasing obesity rates in OECD countries. **Since then we have seen some progress:**

- Public awareness about this top public health issue increased significantly. And this has led to policy changes:
  - many governments have developed obesity strategies and implemented policies to support healthy lifestyles;
  - some schools and some workplaces have started programmes to improve diets and encourage physical activity;
  - the food industry has worked on reformulation and brought to the market new products with better nutritional profiles.

Nevertheless, the rate of obesity has kept rising in OECD countries, showing that what was done is not enough.

- While in 2010 about one in five people were obese, this has now risen to nearly one in four. About one in three children in the United Kingdom currently are overweight, and rate is higher among children with a disadvantaged background.

- Obesity places a heavy burden on population health, but also for the economy. It increases healthcare cost, and reduces employment and workforce productivity. This has a direct impact on the economy and reduce GDP by 3.3% in OECD countries.
• But we should also not forget the impact that overweight has on individuals and their wellbeing.
  
  o Children with obesity have a lower life satisfaction and, in some countries, they are up to four times more likely to be bullied
  
  o Students with obesity do worse in school and are less likely to complete higher education.
  
  o Adults with at least one obesity-related chronic disease are 8% less likely to be employed the following year.

**The Heavy Burden of Obesity sheds light on the reasons that led to increasing obesity rates despite some good policy initiatives**

• Certainly in some cases there were not enough interventions or they were scattered rather than comprehensive packages. And policies take a long time to show effect.

• Perhaps even more strikingly, too often policy-makers have not implemented the most effective policies. They have instead selected the second or, sometimes, even third best option because they were easier to implement.

• Let’s take food labelling, for example. We have now sufficient evidence showing that interpretative, easy to understand, front-of-pack food labelling works best. Yet only a tiny minority of OECD countries managed to make this compulsory.
It is now time to raise standards! And, hopefully, to begin a new phase.

- The report we release today – *The Heavy Burden of Obesity* – shows that there is a wide range of policy options that, if properly implemented, can reduce the prevalence of obesity and improve the economy.

  - Interventions targeting the whole population, such as food and menu labelling and mass media campaigns, can prevent tens of thousands of chronic diseases each year, such as cardiovascular diseases, diabetes and cancer.

  - Most policy interventions – ranging from mass media campaigns to menu labelling and workplace programmes -- significantly reduce health expenditure and increase labour force productivity – meaning that governments investing in these policies can actually save money. For every dollar invested in prevention policies, countries will see a return of up to 6 dollars in GDP.

  - While there will be a cost associated with these policies for the industry, the report shows that there are ways to minimise it.

- **Attention to obesity is gaining momentum.** Just a few hours ago, the former Chief Medical Officer, Dame Sally Davies launched her report on how to solve childhood obesity in the United Kingdom – and I am delighted to have here with us today the Deputy Chief Medical Officer, Prof Jennifer Harries. Earlier this year, the Secretary of State for Health and Social Care presented to Parliament the Government’s planned response to childhood obesity.

- At the global level, obesity was on the agenda of the G20 leaders’ summit in Argentina last year -- and the OECD brought together national governments and
businesses to discuss solutions to this serious problem in Paris. For example, the OECD had suggested that G20 countries could work together to extend to two-thirds of the world's total population the UK’s goal of decreasing calorie content in relevant food by 20%. Achieving this would have enormous health and economic benefits.

To conclude

- *The Heavy Burden of Obesity* provides policymakers with the information they need to make the case for investing in prevention.

- It quantifies the burden of obesity, so that we know why it is important to take action.

- And it shows the impact of different policies, so that we know how we should intervene!

- Above all, this report is a call to action. We need to address the issue of obesity urgently, to protect individuals and our economies.

- I look forward to hearing today’s discussions – and seeing tomorrow’s actions.