

MW86: Volkswirtschaftliches Seminar
Economic Drivers and Consequences of Mental
Illnesses
Spring Term 2021

Instructor Information

Names: Dennis Gottschlich and Jens Südekum

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First Meeting

Date: May 5th

Time: 2.30pm until 4.00pm

Classroom: [WebEx](#)

Presentation

Date: July 16th

Time: 10.30 am until 6.00 pm

Classroom: S3/S4

Course Description

In this seminar we will cover different nexuses between the economic sphere and the medical sphere of mental health. We will focus on applied empirical papers and cover three big areas: first, economic drivers of mental illnesses such as import competition, automation, business cycles, austerity measures and unemployment. Second, papers which try to estimate costs of mental illnesses of the economy or on individual economic outcomes. Third, papers which deal with policy interventions which potentially reduce, or unintentionally increase, mental illnesses. All this is complemented by a new way of measuring changes in mental health and well-being: social-media activity.

Paper Presentation

Each student will present a research paper in the field. The presentation should use slides, and we expect you to send us a pdf copy of your slides. You will be graded on both, your presentation and quality of your slides. The presentation should last for 30 minutes. At the end of a presentation, we will have a discussion about shortcomings and achievements of the presented paper.

What is a good Presentation?

A good presentation is one that others can follow and condenses the papers essential elements¹. For an empirical paper, you need to explain the intuition behind the key regression in simple words. And please be extremely clear about how the authors identify an effect. In addition, your presentation should start with what the research question is, why it is important and a preview of the results. You should use one (at most two) slides for this. After outlining the paper you should discuss critically its shortcomings, critical assumptions and limitations. At the end, you should have a slide with possible extensions or variations. Ideally, these are ideas one could pursue as potential master thesis topics. Use, as a rule of thumb, 2/3 of the time for the description of the paper and 1/3 for the evaluation and critique.

Term Paper

Students need to hand in a term paper based on the paper they are presenting. We will be available to give you guidance on the term paper, and you can get additional ideas from the discussion following your presentation. The paper shall follow the usual formal guidelines of the DICE and, cover same aspects as the presentation. However, make sure you add a literature review which does not solely rely on the paper at hands references. As a reference I can recommend [these slides](#). Also here, dedicate a fair share of your term-paper on the evaluation of the paper and if possible develop ideas on how to improve the paper. We will value clearly structured, easy to read and precise texts over artificially bloated ones. So, write as much as necessary but not more. Condense the paper to its essence and add your critical remarks. As a guidance we expect 9 pages \pm 2.

¹See for a reference [here](#).

Course Objectives

After this course, you should be able to...

- ... understand and present research paper on the research frontier.
- ... critically evaluate a paper and present, and formulate your critique adequately.
- ... create a literature review.
- ... have an overview about the research frontier in mental health economics.

Time Schedule

Please send a mail to gottschlich@dice.hhu.de with your 1st and 2nd priority of papers for presentation from the list below. Alternatively, you can suggest a paper you want to discuss, or approach Dennis and he will try to find a paper which fits your interest. The paper are allocated on a first come first serve basis and at the latest you will be notified on May 14th. Until July 16th you will be preparing your presentations and are free to contact Dennis for supervision. After your presentation, you have additional two weeks to finalize your term-paper. We highly urge you to start writing before the presentation and use the remaining two weeks for additions only. Please note, in case you face any issues in meeting a deadline, please contact us immediately.

- Deadline submission own Paper Ideas: May 9th
- Deadline priorities papers on list: May 9th
- Final Paper Allocation: May 14th
- Presentations: July 16th
- Deadlines Referee Reports: July 30th

Topics and Literature

Driver of Mental Health

Mental Health and Trade

Adda, J., & Fawaz, Y. (2020). The health toll of import competition. *The Economic Journal*, 130(630), 1501–1540. <https://doi.org/10.1093/ej/ueaa058>

Colantone, I. [Italo], Crino, R., & Ogliari, L. (2019). Globalization and mental distress. *Journal of International Economics*, 119, 181–207. <https://doi.org/10.1016/j.jinteco.2019.04.008>

Geishecker, I., Riedl, M., & Frijters, P. (2012). Offshoring and job loss fears: An econometric analysis of individual perceptions. *Labour Economics*, 19(5), 738–747. <https://doi.org/10.1016/j.labeco.2012.05.018>

Lang, M., McManus, T. C., & Schaur, G. (2019). The effects of import competition on health in the local economy. *Health economics*, 28(1), 44–56. <https://doi.org/10.1002/hec.3826>

Pierce, J. R., & Schott, P. K. (2020). Trade liberalization and mortality: Evidence from us counties. *American Economic Review: Insights*, 2(1), 47–63. <https://doi.org/10.1257/aeri.20180396>

Mental Health and Robots

Abeliansky, A., & Beulmann, M. (2019). *Are they coming for us? industrial robots and the mental health of workers* (CEGE Discussion Papers No. 379). University of Göttingen, Center for European, Governance and Economic Development. Göttingen. <https://doi.org/10.2139/ssrn.3438287>

Dragano, N., & Lunau, T. (2020). Technostress at work and mental health: Concepts and research results. *Current Opinion in Psychiatry*, 33(4), 407–413. <https://doi.org/10.1097/YCO.0000000000000613>

Gihleb, R., Giuntella, O., Stella, L., & Wang, T. (2020). *Industrial robots, workers' safety, and health* (IZA Discussion Paper No. 13672). Institute of Labor Economics (IZA). <https://ssrn.com/abstract=3691385>

GDP and mental health

Avdic, D., New, S. C. d., & Kamhöfer, D. A. (2020). *Economic downturns and mental wellbeing* (DICE Discussion Paper No. 337). Düsseldorf Institute for Competition Economics. Düsseldorf, Düsseldorf Institute for Competition Economics (DICE). <http://hdl.handle.net/10419/216731>

together with

Brenner, M. (1987). Relation of economic change to swedish health and social well-being, 1950–1980. *Social Science & Medicine*, 25(2), 183–195. [https://doi.org/10.1016/0277-9536\(87\)90387-X](https://doi.org/10.1016/0277-9536(87)90387-X)

Ruhm, C. J. (2000). Are recessions good for your health? *The Quarterly Journal of Economics*, 115(2), 617–650. <https://doi.org/10.1162/003355300554872>

together with

Gerdtham, U.-G., & Ruhm, C. J. (2006). Deaths rise in good economic times: Evidence from the oecd. *Economics & Human Biology*, 4(3), 298–316. <https://doi.org/10.1016/j.ehb.2006.04.001>

Mental Health and of employees

Jolivet, G., & Postel-Vinay, F. (2020). *A structural analysis of mental health and labor market trajectories* (IZA Discussion Paper No. 13518). Institute of Labor Economics (IZA). <https://ssrn.com/abstract=3660265>

together with

Llena-Nozal, A., Lindeboom, M., & Portrait, F. (2004). The effect of work on mental health: Does occupation matter? *Health economics*, 13(10), 1045–1062. <https://doi.org/10.1002/hec.929>

Ahammer, A., Grübl, D., & Winter-Ebmer, R. (2020). *The health externalities of downsizing* (IHS Working Paper No. 26). Institute for Advanced Studies. Vienna. <https://irihs.ihs.ac.at/id/eprint/5585/>

Austerity and mental health

Borra, C., Pons-Pons, J., & Vilar-Rodríguez, M. (2020). Austerity, health-care provision, and health outcomes in spain. *The European journal of health economics*, 21(3), 409–423. <https://doi.org/10.1007/s10198-019-01141-3>

Mari, G., & Keizer, R. (2020). *Families of austerity: Welfare cuts and family stress in britain* (SocArXiv vdej8). Center for Open Science. <https://doi.org/10.31235/osf.io/vdej8>

Fransham, M., Patrick, R., Reeves, A., & Stewart, K. (2020). *Did the introduction of the benefit cap in britain harm mental health? a natural experiment approach* (CASE Papers). Centre for Analysis of Social Exclusion, LSE. <https://sticerd.lse.a.uk/dps/case/cp/casepaper221.pdf>

Akhter, N., Bambra, C., Mattheys, K., Warren, J., & Kasim, A. (2018). Inequalities in mental health and well-being in a time of austerity: Follow-up findings from the stockton-on-tees cohort study. *SSM - population health*, 6,

75–84. <https://doi.org/10.1016/j.ssmph.2018.08.004>

Unemployment, Opportunity and Mental Health

Coile, C. C., & Duggan, M. G. (2019). When labor's lost: Health, family life, incarceration, and education in a time of declining economic opportunity for low-skilled men. *Journal of Economic Perspectives*, *33*(2), 191–210. <https://doi.org/10.1257/jep.33.2.191>

Clark, A. E., & Oswald, A. J. (1994). Unhappiness and unemployment. *The Economic Journal*, *104*(424), 648–659. <https://doi.org/10.2307/2234639>

Urbanos-Garrido, R. M., & Lopez-Valcarcel, B. G. (2015). The influence of the economic crisis on the association between unemployment and health: An empirical analysis for Spain. *European Journal of Health Economics*, *16*(2), 175–184. <https://doi.org/10.1007/s10198-014-0563-y>

Wang, Y., & Fattore, G. (2020). The impact of the great economic crisis on mental health care in Italy. *European Journal of Health Economics*, *21*(8), 1259–1272. <https://doi.org/10.1007/s10198-020-01204-w>

Clark, A., Georgellis, Y., & Sanfey, P. (2001). Scarring: The psychological impact of past unemployment. *Economica*, *68*(270), 221–241. <https://doi.org/10.1111/1468-0335.00243>

together with

Kassenboehmer, S. C., & Haisken-DeNew, J. P. (2009). You're fired! The causal negative effect of entry unemployment on life satisfaction. *The Economic Journal*, *119*(536), 448–462. <https://doi.org/10.1111/j.1468-0297.2008.02246.x>

Garcey, A. M., & Vågerö, D. (2013). Unemployment and suicide during and after a deep recession: A longitudinal study of 3.4 million Swedish men and women. *American Journal of Public Health*, *103*(6), 1031–1038. <https://doi.org/10.2105/AJPH.2013.301210>

Sullivan, D., & von Wachter, T. (2009). Job displacement and mortality: An analysis using administrative data. *The Quarterly Journal of Economics*, *124*(3), 1265–1306. <https://doi.org/10.1162/qjec.2009.124.3.1265>

Cottini, E., & Ghinetti, P. (2018). Employment insecurity and employees' health in Denmark. *Health Economics*, *27*(2), 426–439. <https://doi.org/10.1002/hec.3580>

Reichert, A. R., & Tauchmann, H. (2017). Workforce reduction, subjective job insecurity, and mental health. *Journal of Economic Behavior & Organization*, *133*, 187–212. <https://doi.org/10.1016/j.jebo.2016.10.018>

together with

Schiele, V., & Schmitz, H. (2016). Quantile treatment effects of job loss on health. *Journal of Health Economics*, *49*, 59–69. <https://doi.org/10.1016/j.jhealeco.2016.06.005>

Costs of Mental Health

Sobocki, P., Jönsson, B., Angst, J., & Rehnberg, C. (2006). Cost of depression in europe. *Journal of Mental Health Policy and Economics*, *9*(2), 87–98. <https://psycnet.apa.org/record/2006-08871-004>

Bubonya, M., Cobb-Clark, D. A., & Wooden, M. (2017). Mental health and productivity at work: Does what you do matter? *Labour Economics*, *46*, 150–165. <https://doi.org/10.1016/j.labeco.2017.05.001>

Biasi, B., Dahl, M. S., & Moser, P. (2019). *Career effects of mental health* (SSRN Working Paper). SSRN. <https://doi.org/10.2139/ssrn.2544251>

Mousteri, V., Daly, M., Delaney, L., Tynelius, P., & Rasmussen, F. (2019). Adolescent mental health and unemployment over the lifespan: Population evidence from sweden. *Social Science & Medicine*, *222*, 305–314. <https://doi.org/10.1016/j.socscimed.2018.12.030>

Nafilyan, V., Pabon, M. A., & de Coulon, A. (2021). *The causal impact of depression on cognitive functioning: Evidence from europe* (IZA DP No. 14049). Institute of Labor Economics (IZA). <http://ftp.iza.org/dp14049.pdf>

Koltai, J., Varchetta, F. M., McKee, M., & Stuckler, D. (2020). Deaths of despair and brexit votes: Cross-local authority statistical analysis in england and wales. *American Journal of Public Health*, *110*(3), 401–406. <https://doi.org/10.2105/AJPH.2019.305488>

Can Economic Policy cause and/or Prevent Deaths and Mental Illness?

Caliendo, M., Mahlstedt, R., van den Berg, G. J., & Vikström, J. (2020). *Side effects of labor market policies* (IZA Discussion Paper No. 13846). Institute of Labor Economics (IZA). <https://ssrn.com/abstract=3730444>

Williams, E. (2019). Unemployment, sanctions and mental health: The relationship between benefit sanctions and antidepressant prescribing. *Journal of Social Policy*, *50*(1), 1–20. <https://doi.org/10.1017/S0047279419000783>

Davis, O. (2019). What is the relationship between benefit conditionality and mental health? evidence from the united states on tanf policies. *Journal of Social Policy*, *48*(2), 249–269. <https://doi.org/10.1017/S0047279418000363>

Case, A., & Deaton, A. (2017). Mortality and morbidity in the 21st century. *Brookings Papers on Economic Activity, Spring*(1), 397–476. <https://doi.org/10.1353/eca.2017.0005>

together with

Dow, W. H., Godøy, A., Lowenstein, C. A., & Reich, M. (2019). *Can economic policies reduce deaths of despair?* (NBER Working Paper No. 25787). National bureau of economic research. <https://doi.org/10.3386/w25787>

Alternative Mental Health Measure: Social-Media Activity

Bathina, K. C., ten Thij, M., Lorenzo-Luaces, L., Rutter, L. A., & Bollen, J. (2020). *Depressed individuals express more distorted thinking on social media* (arXiv preprint No. 002.02800v1). <https://arxiv.org/pdf/2002.02800>

Carpi, T., Hino, A., Iacus, S. M., & Porro, G. (2020). *On a japanese subjective well-being indicator based on twitter data* (arXiv preprint No. 2012.14372). <https://arxiv.org/abs/2012.14372>

Students with Disabilities

DICE values diversity and inclusion; we are committed to a climate of mutual respect and full participation. Our goal as your instructors is to create a learning environments that are useable, equitable, inclusive and welcoming. If there are aspects of the instruction or design of this course that result in barriers to your inclusion or accurate assessment or achievement, we invite you to meet with us to discuss additional strategies beyond accommodations that may be helpful to your success.

If you believe that you need accommodations for a disability, please contact the [Office of Commissioner for Students with Disabilities](#) or the [Beratungsstelle der Beauftragten für Studierende mit Behinderung oder chronischer Erkrankung \(BBST\)](#). They are responsible for coordinating physical and mental disability-related issues.

Counseling Services

If at any point during the semester, you feel overwhelmed with your class work, feel thoughts of depression/suicide, experience sexual assault/rape, experience problems with substance abuse or relationship abuse, or have any other struggles with physical/mental health, ***please seek help!*** The [Counseling Center Services](#) and [BBST](#) at Heinrich-Heine University are resources offering assistance with any issue you might have - both individually and through group sessions. There is ***never*** any shame in seeking help. If you or someone you know is struggling with any of these issues, speak out!