

# Does reducing malaria’s burden cause economic growth, or does growth reduce malaria?

Joe Brew<sup>a,b,1</sup>, Laia Cirera<sup>a</sup>, and Elisa Sicuri<sup>a,c</sup>

<sup>a</sup>Barcelona Institute for Global Health: c/ Rosselló, 132, 5è 2a. 08036, Barcelona, Catalonia; <sup>b</sup>VU University Amsterdam: De Boelelaan 1105, 1081 HV Amsterdam, Netherlands; <sup>c</sup>Imperial College London: South Kensington Campus, London SW7 2AZ, U.K., UK

This manuscript was compiled on June 12, 2018

**The correlation between poverty and malaria endemicity has been well established, but causal directionality has not. Understanding the extent to which malaria causes economic stagnation, and vice-versa, is important for an efficient allotment of development resources. Using 15 years of panel data from 27 malaria-endemic Sub-Saharan African countries, we carry out a Granger-causality analysis of the potential directional relationship between economic growth and a reduction in malarias prevalence. Having identified a temporally coherent health-to-wealth pathway, we then carry out a sensitivity analysis to test causality. Our results are robust, suggesting that development-oriented aid and investment in malaria-endemic countries should prioritize those interventions which reduce malaria directly.**

Malaria | Economics | Development | Growth | Causality

Malaria causes more than a half million deaths worldwide every year (1). In addition to its devastating health effects, Malaria has a large economic impact. By reducing ones ability to work efficiently (2), if at all, malaria imposes a large financial cost on the infected (3) (4), and the toll trickles upwards to society at large (5). Not only does malaria likely has a negative effect on GDP and growth (5–8), in a classic feedback loop, low growth can keep societies in a resource-scarce state making interventions which target the control or elimination of malaria difficult (1, 9–11).

The correlation between poverty and malaria endemicity has been well established, but causal directionality has not. This lack of clarity may partially explain why there are two schools of thought in development circles regarding where resources should be directed. One school argues that a society must be brought out of poverty, after which gains in health are almost inevitable, but prior to which significant health improvements are nearly impossible (12). The other argues for a more holistic development approach, implicitly calling for resources to be devoted to areas believed to be pre-requisite to wealth acquisition, such as health (13, 14). Clarke et al. covers this distinction more thoroughly (15).

Though both schools acknowledge that the interaction between health and wealth is bi-directional, understanding the extent to which malarias burden affects the economy, and vice-versa, could shed light on areas where developmentalists should focus in order to break the vicious cycle. Particularly, knowing which kinds of improvements precede the other helps to guide policies which aim to improve well-being in the long-term. Since malarias economic effects are at the macro-scale, a randomized controlled trial to assess the extent to which a controlled shock to the burden of malaria or the economy is not feasible. Ample experiments and interventions exist at the sub-national level, and occasionally the national level, but these are generally carried out in isolation, lacking the

plausible counterfactual with which to compare any observed improvement in malarias burden or economic growth. Additionally, at the sub-national and national levels, the amount of confounding factors (political changes, climate crises, etc.) are too great to isolate causal effects.

Given the impossibility of parsing these many complex factors at the micro-level, one approach for understanding causal directionality in the malaria-economy relationship is to zoom out to the macro-level and focus on simple temporality (ie, whether changes to the economy tend to preceed changes to malarias burden or vice-versa). By including many countries rather than just one, we cancel out each ones idiosyncracies, and by carrying out statistical precedence analysis, we can identify a potentially causal trend for further analysis.

Granger-causation analysis, a form of temporal precedence analysis, is a useful tool for doing this (15–19). In the field of Economics, it is commonly used with panel data to assess the directionality of a bi-directional relationship (20, 21). For this specific link to health and growth, it has been used to examine the causal links between the health status and savings of elderly Europeans (22), general health and socioeconomic status (23), and macro-level development and mortality (15). These studies found causal directionality to be ambiguous. No study, to the authors knowledge, has used Granger causality to examine the relationship between malarias burden and GDP. Sachs’ seminal study on malaria’s effect on the economy (5) focuses largely on societies where elimination of the disease was achieved, and on time-invariant factors such as latitude, distance to coast, colonial history.

## Significance Statement

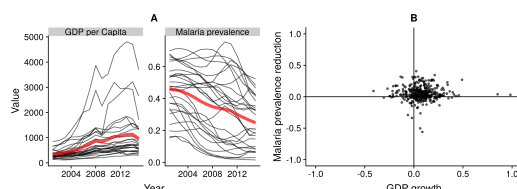
Though it is clear that malaria is a "disease of poverty", the extent to which malaria is the cause or effect of poverty is not fully understood. Identifying the direction of the causal relationship between health and wealth is vital to knowing where resources should be directed, ie whether interventions in poor, malaria-endemic societies should target the disease or the poverty. We analyzed the relationship between GDP growth and the prevalence of Plasmodium falciparum among children in 27 malaria-endemic African countries, and identified health to wealth as the primary causal pathway. Our findings suggest that scaling up investment in reducing malaria’s burden could be a pre-requisite condition for enabling economic growth in Sub-Saharan Africa.

Author contributions: J.B., L.C., and E.S. designed research; J.B. gathered and processed data; J.B., L.C., and E.S. analyzed data; J.B., L.C., and E.S. wrote the paper

The authors declare no conflicts of interest

<sup>1</sup>E-mail: joebrew@gmail.com

**Fig. 1.** A. Country-specific GDP and malaria prevalence values during observation period (all-country average in red). B. Association of growth (GDP divided by previous year's GDP) and reduction in malaria prevalence (1 minus prevalence divided by previous year's prevalence).



**Fig. 2.** A. Country-specific GDP and malaria prevalence values during observation period (all-country average in red). B. Association of growth (GDP divided by previous year's GDP) and reduction in malaria prevalence (1 minus prevalence divided by previous year's prevalence).

Using 15 years of data from 27 malaria-endemic Sub-Saharan African countries, we carry out an analysis of the potential causal relationship between economic growth and a reduction in the prevalence of malaria. Having identified a temporally coherent health-to-wealth pathway, we then carry out a sensitivity analysis to provide further evidence for predominantly health-driven growth.

## Results

### Association of GDP and malaria prevalence.

### Granger causality.

### Sensitivity analysis.

## Discussion

Bidirectional. Our finding that health affects wealth more than vice-versa is consistent with NOTME: Asafu-Adjaye's (2004) study of 44 developing and developed countries and to the overall results of Erdil and Yetkiner (2009) and . Its also consistent with Clarke's finding that health's causal importance was greater among low-income countries (Clarke JA 2016).

Figure 2 shows figure stuff.

**Digital Figures.** Figures and Tables should be labelled and referenced in the standard way using the `\label{}` and `\ref{}` commands.

Figure 2 shows an example of how to insert a column-wide figure. To insert a figure wider than one column, please use the `\begin{figure*}...\end{figure*}` environment. Figures wider than one column should be sized to 11.4 cm or 17.8 cm wide. Use `\begin{SCfigure*}...\end{SCfigure*}` for a wide figure with side captions.

**Tables.** In addition to including your tables within this manuscript file, PNAS requires that each table be uploaded to the submission separately as a Table file. Please ensure that each table .tex file contains a preamble, the `\begin{document}` command, and the `\end{document}` command. This is necessary so that the submission system can convert each file to PDF.

**Table 1. Comparison of the fitted potential energy surfaces and initio benchmark electronic energy calculations**

Species	CBS	CV	G3
1. Acetaldehyde	0.0	0.0	0.0
2. Vinyl alcohol	9.1	9.6	13.5
3. Hydroxyethylidene	50.8	51.2	54.0

nomenclature for the TSs refers to the numbered species in the table.

**Single column equations.** Authors may use 1- or 2-column equations in their article, according to their preference.

To allow an equation to span both columns, use the `\begin{figure*}...\end{figure*}` environment mentioned above for figures.

Note that the use of the `widetext` environment for equations is not recommended, and should not be used.

## Materials and Methods

Data on the estimated *Plasmodium falciparum* parasite rate in 2-10 year olds from the period from 2000 through 2015 was obtained from the Malaria Atlas Project (24, 25). Annual Gross Domestic Product (GDP) per capita data was obtained from the World Bank (26). We used the raster package (27) to aggregate point-specific Pf rates into annual country-wide averages (henceforth referred to as "Malaria prevalence"). All data processing and analysis was carried out in R (28), and all data and code are freely available online (29). Following the construction of our panel dataset, we used the PML package for the estimation of our Granger causality models (30).

- White MT, Conteh L, Cibulskis R, Ghani AC (2011) Costs and cost-effectiveness of malaria control interventions—a systematic review. *Malar. J.* 10:337.
- Nonvignon J, et al. (2016) Economic burden of malaria on businesses in Ghana: a case for private sector investment in malaria control. *Malar. J.* 15:454.
- Asenso-Okyere WK, Dzator JA (1997) Household cost of seeking malaria care: a retrospective study of two districts in Ghana. *Soc. Sci. Med.* 45(5):659–667.
- Ajani OIY, Ashagidigbi WM (2010) Effect of malaria on rural households' farm income in Oyo state, Nigeria. *African Journal of Biomedical Research* 11(3).
- Sachs J, Malaney P (2002) The economic and social burden of malaria. *Nature* 415(6872):680–685.
- McCarthy D, Wolf H, Wu Y (2000) The growth costs of malaria, (National Bureau of Economic Research, Cambridge, MA), Technical report.
- Orem JN, Kirigia JM, Azairwe R, Kasirye I, Walker O (2012) Impact of malaria morbidity on gross domestic product in Uganda. *Int. Arch. Med.* 5(1):12.
- Hong SC (2011) Malaria and economic productivity: A longitudinal analysis of the American case. *J. Econ. Hist.* 71(3):654–671.
- Purdy M, Robinson M, Wei K, Rublin D (2013) The economic case for combating malaria. *Am. J. Trop. Med. Hyg.* 89(5):819–823.
- Howard N, Guinness L, Rowland M, Durrani N, Hansen KS (2017) Cost-effectiveness of adding indoor residual spraying to case management in Afghan refugee settlements in north-west Pakistan during a prolonged malaria epidemic. *PLoS Negl. Trop. Dis.* 11(10):e0005935.
- Phillips SFM (1998) Economics and its contribution to the fight against malaria. *Ann. Trop. Med. Parasitol.* 92(4):391–398.
- Musgrove P (1996) *Public and Private Roles in Health: Theory and Financing Patterns*.
- Storm S (2008) Globalisation and development by sunanda sen. *Dev. Change* 39(5):872–874.
- Sen A (year?) 1. economic development: Objectives and obstacles in *China's Development Experience in Comparative Perspective*.
- Clarke JA RN (2016) Health and wealth: Short panel granger causality tests for developing countries. *Economics Working Paper* 12(04).
- Granger CWJ (year?) Seasonality: Causation, interpretation and implications in *Essays in Econometrics*. pp. 121–146.
- Molenaar PCM (2018) Granger causality testing with intensive longitudinal data. *Prev. Sci.*
- Koller I, Carstensen CH, Wiedermann W, von Eye A (2016) Granger meets Rasch: Investigating granger causation with multidimensional longitudinal item response models in *Wiley Series in Probability and Statistics*. pp. 231–248.
- Granger A (1896) *Coelenteres, echinoderms, protozoaires / par Albert Granger*.

$$\begin{aligned}
(x+y)^3 &= (x+y)(x+y)^2 \\
&= (x+y)(x^2 + 2xy + y^2) \\
&= x^3 + 3x^2y + 3xy^2 + y^3.
\end{aligned}
\tag{1}$$

- 156 20. Law SH, Lim TC, Ismail NW (2013) Institutions and economic development: A granger causal-  
157 ity analysis of panel data evidence. *Economic Systems* 37(4):610624.
- 158 21. Joerding W (1986) Economic growth and defense spending. *Journal of Development Eco-*  
159 *nomics* 21(1):35–40.
- 160 22. Andreyeva T, Michaud PC, van Soest A (2007) Obesity and health in europeans aged 50  
161 years and older. *Public Health* 121(7):497–509.
- 162 23. Adams P, Hurd MD, McFadden D, Merrill A, Ribeiro T (2003) Healthy, wealthy, and wise? tests  
163 for direct causal paths between health and socioeconomic status. *J. Econom.* 112(1):3–56.
- 164 24. Hay SI, Snow RW (2006) The malaria atlas project: Developing global maps of malaria risk.  
165 *PLoS Medicine* 3(12):e473.
- 166 25. Guerra CA, et al. (2007). *Malaria Journal* 6(1):17.
- 167 26. WBG (2018) World bank databank: Gdp per capita (current usd). *The World Bank*.
- 168 27. Hijmans RJ (2017) *raster: Geographic Data Analysis and Modeling*. R package version 2.6-7.
- 169 28. R Core Team (2018) *R: A Language and Environment for Statistical Computing* (R Foundation  
170 for Statistical Computing, Vienna, Austria).
- 171 29. Brew J (2018) Code and data repository: Does reducing malaria's burden cause economic  
172 growth, or does growth reduce malaria: <https://github.com/joebrew/malariaecon>. *GitHub*  
173 *repository*.
- 174 30. Croissant Y, Milla G (2008) Panel data econometrics inr: Thepimpackage. *Journal of Statisti-*  
175 *cal Software* 27(2).

DRAFT