Deaths of Despair and the Future of Capitalism

Reviewed by Matthew P. Forsstrom, Wheaton College

Anne Case and Angus Deaton shocked the scientific community when they uncovered that midlife mortality has been increasing among working-class whites in the United States for the past 20 years, reversing a century-long trend of declining mortality rates (Case and Deaton, 2015, 2017). Their work showed that the reversal was driven by an increase in deaths by suicide, drug overdose, and alcohol-related liver disease, which they collectively term “deaths of despair.”

In Deaths of Despair and the Future of Capitalism, Case and Deaton give additional context to their earlier findings and develop a story of the underlying social and economic causes of increasing despair. As alluded to in the title, the authors argue that their findings are indicative of an economic system that is failing many. While the title refers to capitalism, it is clear throughout that the authors are not so concerned with capitalism but with specific features of the brand of capitalism seen in the United States. They also point to decline in marriage and less frequent participation in churches and other relational communities as potential contributors. While the book offers some policy proposals, there is little hope to be found in its pages.

The book is divided into four parts. The first part sets the finding of increased midlife mortality among working-class whites in historical context. The 20th century saw massive improvements in population health and longevity. Among whites between 45 and 54 years old, the number of annual deaths per 100,000 people fell from almost 1,500 at the beginning of the century to less than 400 by the end of the century.

The century-long trend of improving health suggested an even healthier future. But the picture began to change for non-Hispanic whites at the turn of the century. From the late 1990s to the present, the mortality rate among non-Hispanic whites between 45 and 54 years old stalled at roughly 400 deaths per 100,000. In isolation, a roughly constant or slightly rising mortality rate would not necessarily cause alarm, but the lack of decline is notable when contrasted with the continued declines in mortality in other rich countries and for blacks and Hispanics in the United States. The authors estimate that from 1999 to 2017 there
were “600,000 deaths of midlife Americans who would be alive if progress had gone on as expected” (p. 32).

The first part of the book ends by noting that the increase in mortality for middle-aged whites was entirely driven by increases in deaths of despair and a slowdown in progress against mortality from heart disease. The final paragraphs ominously note that the epidemic of despair is not confined to middle-aged whites as there has also been an increase in suicides and overdoses among younger whites.

The second part of the book separates trends in mortality by education, sex, and race. While midlife mortality for all whites has only slightly increased since 1990, midlife mortality rates rose by 25 percent for those with less than a bachelor’s degree and fell by 40 percent for those with a bachelor’s degree. The difference is driven by deaths of despair, with these deaths becoming more frequent with each successive birth cohort among those without a bachelor’s degree. The authors also note that the media has often mischaracterized their findings as being about white men when in fact the increase in deaths of despair has been similar for women.

In the authors’ earlier work, the focus on changes in trends may have drawn attention away from the disturbing difference in absolute mortality rates between blacks and whites. In 1970, the number of deaths per 100,000 people aged between 45 and 54 years was roughly 1,400 among blacks and 700 among whites. While the black-white mortality gap has partly closed since 1970, there remains a gap of almost 200 deaths per 100,000. Because the authors attempt to argue that the current epidemic of despair is largely driven by lack of economic opportunity, they must explain why the epidemic is concentrated among working-class whites when this group has been, and remains, economically advantaged relative to working-class blacks. They do not offer much on this point, simply noting that working-class whites are less acquainted with hardship and therefore may be more impacted by any hardships created by recent changes in the economy.

The remainder of the second part provides detailed discussions on morbidity, pain, and the different causes of deaths of despair, including a full chapter on opioids. Both self-reported health and psychological distress have worsened among whites without a bachelor’s degree but have changed little among those with a bachelor’s degree. Similar patterns hold for reporting an inability to work and for self-reports of pain.
The authors point out that blacks experienced similar increases in self-reported pain over the same time frame, suggesting that either something other than pain explains the difference in deaths of despair or that the increase in pain has had different effects on blacks and whites.

In their account of the opioid crisis, Case and Deaton are highly critical of the pharmaceutical industry. They also note that the Food and Drug Administration is only allowed to consider the effects of a drug on individuals and cannot consider "wider social effects in its drug approval process — for example, the likelihood that opioids would be diverted" (p. 199). This flaw in the regulatory process meant "the FDA was essentially putting a government stamp of approval on legalized heroin" (p. 128).

The third and fourth parts of the book consider what is driving the epidemic of despair and what might be done about it. The authors begin by arguing that short-term changes in income are not the main culprit. Poverty rates do not have a similar pattern to what is observed for deaths of despair, the increase in deaths is prevalent in both relatively poor and wealthy states, and there was no jump in deaths after the Great Recession. In their 2017 paper, Case and Deaton also documented that the trend in median income over time has been similar across racial and ethnic groups, whereas the trend in mortality has been markedly different. The authors go on to suggest that longer-term changes, such as the widening gap in earnings between those with and without a college degree could be contributing. However, they "emphasize that earnings are likely less important than social changes, including the nature of work, of status, of marriage, and of social life" (p. 152).

On work, the authors point to declining labor force participation among men over the period that deaths of despair increased. They argue that the decline in labor force participation is driven by a lack of opportunities and not by a loss of industriousness, pointing to the fact that wages and workers fell together, which suggests a fall in labor demand not supply. They also suggest that the types of work that are now available to those with less than a bachelor’s degree are less attractive than the manufacturing jobs that once defined the working class, partly due to a lack of unionization.

Chapter 12 highlights changes in family structure and declining church participation as potential contributors to the epidemic of despair. Case and Deaton argue that the shift in social norms around marriage and childbearing has left many without a stable family "with which they share lives and memories" (p. 172). Along with changes in family
structure, the authors point to the decline in church membership as another loss of community. They draw on Robert Wuthnow’s work to argue that the movement away from mainline churches, which were once places of refuge and belonging, is driven by individualism, with people seeking to “satisfy their spirituality on their own terms — for example, by turning to evangelical churches that suit their social conservatism, or by creating their own unique blend of beliefs” (p. 177).

In the final and most speculative part of the book, the authors discuss the potential roles that healthcare, immigration, globalization, automation, and market power have had in increasing deaths of despair among working-class whites. Chapter 13 makes the common argument that rising healthcare spending in the US is not allocatively efficient but a result of information problems in insurance markets and lack of competition in medical care markets. The “historical accident” (p. 211) that lead to most Americans having health insurance through their employer has meant that rising costs of health insurance drag down wages. Chapter 14 discusses the potential impacts of immigration, trade, and automation on jobs and wages. Globalization is given the most blame, with the authors arguing that the US should not give up the gains from trade but should do more to assist those who must transition jobs as a result of trade. Lastly, Chapter 15 touches on the current debate on increased market power and rent-seeking in the US economy. The authors argue that decreasing competition among firms has led to high profits and a low share of wages in GDP, benefitting the highly educated at the expense of those without a college degree.

Deaths of Despair and the Future of Capitalism is a distressing book to read. The authors present a compelling argument that a large part of the population is suffering to such an extent that more and more people no longer see life as worth living, at least not without the numbness that drugs and alcohol can provide. The empirical analysis is thorough and careful, and the authors regularly employ economic reasoning to illuminate what is likely (or likely not) driving the patterns in the data. The book should be commended for its detailed and highly informative discussions on the history of mortality in the US, the role of education in society, the determinants of suicide and drug abuse, the current opioid crisis, and the evolving nature of work.

Not surprisingly, the book became less convincing as it moved beyond documenting the epidemic of despair to making an argument that specific social and economic changes are to blame. In particular, the
authors may have a valid critique of the US healthcare system and may be correct that rent-seeking is on the rise, but the connections of these arguments to the epidemic of despair felt tenuous. More broadly, while the authors are careful to distinguish between short-term and long-term changes in income, the arguments and policy prescriptions in the final section were sometimes in tension with the argument earlier in the book that income and income inequality are not the most important contributors to the epidemic.

For Christians, the book serves as a call to bring the hope found in Christ to a society where hopelessness is growing. In fact, the authors even implicate the Church, noting “the failure of organized religion... to continue to provide meaning and comfort in a changing world” (p. 7). To bring light, Christians must be in the darkness. Since Niebuhr (1929), it has been recognized that social class and race divide the Church in the United States, which means that highly educated Christians may rarely interact with the working class, especially in the context of church. While highly educated Christians may have siloed themselves from the working class, those that read Case and Deaton's book certainly cannot claim ignorance that many of their neighbors are suffering.

References

