

Non-communicable Diseases to Cost \$47 trillion by 2030, New Study Released Today

18 September 2011

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- World Economic Forum releases first study to identify the total global costs of non-communicable diseases (NCDs).
- Mental ill-health and cardiovascular diseases account for 70% of lost output from non-communicable diseases.
- With 40% of the costs of NCDs impacting non-health-related areas of society, equal contributions from governments, the private sector and civil society are crucial to combat NCDs.
- *The Global Economic Burden of Non-communicable Diseases* is [available here](#).

Geneva, Switzerland, 18 September 2011 – The global economic impact of the five leading non-communicable diseases (NCDs) – cardiovascular disease (CVD), chronic respiratory disease, cancer, diabetes and mental ill-health – could total US\$ 47 trillion over the next 20 years, according to a study released today by the World Economic Forum.

[The Global Economic Burden of Non-communicable Diseases](#) analyses the overall costs of NCDs to the global economy. Findings show that the estimated cumulative output loss over the next 20 years represents approximately 4% of annual global GDP. While mental ill-health is typically left off the list of top NCDs, it alone accounts for over US\$ 16 trillion, or one-third, of the overall US\$ 47 trillion anticipated spend on NCDs.

“Think of what could be achieved if these resources were productively invested in an area like education,” said Professor Klaus Schwab, Founder and Executive Chairman of the World Economic Forum. “The need for immediate action is critical to the future of the global economy.”

More than 60% of deaths worldwide are due to NCDs, killing 36 million people each year. Low- and middle-income countries are disproportionately affected. In 2010, 80% of NCD deaths occurred in those countries, many of them prematurely, at working age. Developing countries are confronted with an ever-increasing share of this financial burden, as their economies and populations grow. The global population beyond the age of 60 is expected to double between now and 2050. This development, coupled with increasing urbanization, means a sharp increase in NCD rates. The study concludes that the cumulative costs of CVD, chronic respiratory disease, cancer and diabetes in low- and middle-income countries are estimated to surpass US\$ 7 trillion in 2011-2025, an average of nearly US\$ 500 billion per year.

“Until now, we’ve been unable to put a figure on what the World Health Organization (WHO) calls the ‘world’s biggest killers.’ This study shows that families, countries and economies are losing people in their most productive years. The numbers indicate that non-communicable diseases have the potential to not only bankrupt health systems but to also put a brake on the global economy. Tackling this issue calls for joint action by all actors of the public and private sectors.” says Olivier Raynaud, Senior Director of Health at the World Economic Forum.

Mental health concerns and CVD alone account for almost 70% of lost output. In 2010, the global direct and indirect cost of CVD was approximately US\$ 863 billion and is estimated to rise 22% to US\$ 1,044 billion by 2030. Overall, the cost for CVD alone could be as high as US\$ 20 trillion over the 20 year period. For mental health conditions, the 2010 global costs were approximately US\$ 2.5 trillion, with the cost projected to surge to US\$ 6 trillion by 2030.

Cumulative NCD losses will rise steadily over the next 20 years, but the rate of increase will pick up sharply by 2030. The value of life lost, including lost income, out-of-pocket spending related to medical care and pain and suffering due to NCDs will double between 2010 and 2030.

The report uses three different methods to calculate the economic burden of NCDs: the World Health Organization's EPIC model, the Value of Statistical Life (VSL) approach and the Cost-Of-Illness (COI) approach. These methods enabled study authors to analyse data from both a private and societal perspective.

"The challenge of non-communicable diseases goes beyond health ministries. Policy-makers must understand that these diseases pose a significant threat to personal as well as to economic well-being and progress. Non-communicable diseases undermine productivity and result in the loss of capital and labour," says study author David Bloom, member of the World Economic Forum Global Health Advisory Board and professor at the Harvard School of Public Health. "These costs are unbearable and clearly call for innovative solutions and an all-of-society approach, with strong partnerships between government, the private sector and civil society."

To a substantial degree, NCDs are caused by tobacco use, harmful use of alcohol, physical inactivity and poor diet. Strategies for targeting these risk factors are considered in a companion study released today by the WHO, which analyses the means and costs of implementing these measures in low- and middle-income countries.

This assessment of the developmental and financial impact of these diseases comes as the United Nations convenes the High-Level Meeting on NCDs in New York on 19-20 September. Heads of State and Government will assemble to address the prevention and control of NCDs worldwide. The report released today by the World Economic Forum serves as a companion piece to another report by the WHO, also released today, which assesses the cost benefits of different solutions to the NCD crisis. A joint executive summary for the two reports, highlighting the complementary findings, is [available here](#).

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