

Review of: "Financial Repercussions of Carbon Emissions and Depletion of Natural Resources: The Role of Fiscal Policy in Determining Health Expenditures"

Barnali Nag¹

¹ Indian Institute of Technology Kharagpur

Potential competing interests: No potential competing interests to declare.

The paper is an ambitious attempt to bring together almost all major challenges of any government - like- GHG emissions, forest and natural resource depletion, health, life expectancy, income, monetary and fiscal policy, external debt, social and governance challenges - all in a single common framework. The title at the onset is long and tends to get confusing. As I have understood, the paper looks at impact of almost all the variables listed above on health expenditure. Hence the title could simply be repercussions of various indicators on health expenditure and not financial repercussions.

I have the following observations on the study:

1. Although tables 1-3 provide sample data of all variables used in the study, it would help if description of the data is provided and along with how the variables are defined and why they are significant.
2. The theoretical basis of all the hypotheses formed is not clearly explained. For example, the health expenditure variables - public and private - are not clearly explained. Is it implied that worsening environmental conditions might have direct impact on more ailments and diseases and hence more expenditure on health? In that case, the impact, if any, could be on both private and public expenditure. On the other hand, improved government focus on healthcare, with welfare goals, could also result in higher expenditure on healthcare. It is not clear what is the premise that the paper is following.
3. The analysis is based on year on year data of the variables. Environmental variables, especially GHGs have impact on health or economy with lag. Even forest and resources are unlikely to impact any economic or health variable contemporaneously.
4. Policy recommendations are provided on the basis of results. However, signs and significance as given in the results, are not adequately explained. The arguments to link health expenditure with variables like public debt, indirect taxes and inflation seem doubtful and need to be supported by theory or literature.